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The Nation's Business

The Bank Merger Economically Right; Psychologically Wrong

Public in No Mood to Support This or Other Mergers in Banking

IT HAS been pretty well established that the merger of the Standard Bank of Canada with the Canadian Bank of Commerce is in the interests of the shareholders of the two banks. As one institution the two banks should be able to function efficiently and well and may be able to give better service to the communities they serve. It is, from the standpoint of business and economy, a good merger.

It is declared by officers of the two banks that no financial emergency dictated the merger. The Standard Bank experienced serious problems five year ago but wrote large sums from its reserves and effected drastic economics. It has since been generally believed that the bank's position has been thoroughly sound. If there was anything in the Standard Bank's position that made a merger necessary, the secret will probably be closely guarded, at least until Parliament meets again, when the government is certain to be asked many questions about its grant of permission for the merger.

There is no real evidence, beyond suspicions in the public mind, that this or any other merger will tend to create a banking monopoly in Canada, will serve to increase interest rates to borrowers or operate to restrict the supply of funds for ordinary agricultural, industrial and mercantile credit.

Nevertheless, unless it can be shown that the merger was a necessity to safeguard the interests of Standard Bank depositors the deal must be regarded as unfortunate. It comes just at a time when the public had begun to believe that there would be no more mergers; when the policy of the government at Ottawa in opposition to bank mergers seemed to have been well established; when general confidence in the stability of the banking situation existed.

One may well question whether any bank merger at the present time is in the public interest, if it spreads a feeling of mistrust in the land; or if any bank merger is in the interests of the bank themselves, when public suspicion of the whole system of banking in Canada is aroused by such a merger.

* * *

The close affiliation of the directorate of the two banks in the present merger and the practical control of their policies by much the same group of financiers was a tempting prelude to a merger, and the fact that this financial bond existed before gives promise that the policies of the new and larger bank will not differ greatly from the policies of either of the constituent units. The merger is a business-like arrangement. If the merger is to be condemned, the reason lies largely in the fact that Canada has had too many bank mergers either for the peace of mind of the public or for public confidence in the banks and any mergers effected now are disturbing elements in an economic and social situation in Canada that is on the whole, harmonious.

* * *

Twenty years ago, in Canada there were 32 banks. They had total assets of $950,000,000. To-day there are—or will be after the Commerce-Standard merger is finally effected—ten banks with total assets of $3,400,000,000, of which over 6 per cent. is controlled by only three institutions.

Most of the twenty odd missing banks have been absorbed by larger banks. There have been four small failures.

The Financial Post is not unduly disturbed by the view that such consolidation presents the threat of creating a monopoly in banking. There will undoubtedly be more or at least as much competition among a few large banks as there would be among many smaller banks and, within reason, the competition may be more businesslike. To illustrate what we mean we need but point out that there is obviously keener competition between the Royal Bank of Canada and the Bank of Montreal, each with around $900,000,000 of assets, than among the four existing smaller banks that have about $150,000,000 of assets each.

Nor do we view with alarm the concentration of money power in fewer groups. The branch banking system provides an elasticity in the transfer of money that a system of many small private and local banks can not provide. It enables surplus money from one part of the country to be utilized quickly and to advantage in another part of the country where it is needed. It insures that savings will always find profitable use and insures also that the would-be borrower, whose case is sound can always get money he needs. So long as there are several thousand efficient bank managers scattered through every city and town and rural area, so long as there are travelling inspectors and travelling supervisors, there will be an intimate localized touch dramatizing every act of these mighty banks. The communities get community banking service with giant strength behind them. There is nothing wrong with our banking system nor with the general tendency to a fairly restricted number of large banks.

But there are reasonable limits to such a movement and when this country gets down to ten banks, of which three are dominant, while further mergers among the balance that might reduce the total to about six or seven banks are freely if unoffi-

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BELL PHONE PROGRESSES ON PROGRAM

Spending Large Sums on Improvements and Maintenance

ADD NEW FACILITIES

Campaign to Show 'Phone Not Only a Necessity But a Convenience Meets Approval

From Our Own Correspondent

MONTREAL.—Steady progress is being made by the Telephone Company on its program of extensions scheduled for this year whereby at least $22,000,000 will be spent for additions to plant, new head office building, replacement of equipment and other improvements.

Earlier estimates that 135,000 new telephones would be installed this year, are being borne out by results obtained during the first half of the year. There will be a loss of subscribers for various reasons, but the net increase for 1928 is placed at 40,000.

Among the items included in this year's program are eleven major building operations which are now under way. Cost of completing construction alone, aside from equipment and expense of installation, is estimated at approximately $4,500,000.

Heavy Program

The combined construction and maintenance programs call for 1,500 central office and private branch exchange sections; five new dial system offices, 45,000 dial system terminals. The 120 repeaters scheduled for installation this year equal approximately 75 per cent. of total installations made in the last ten years.

Materials required include 2,900 tons of lead, 1,800 tons of copper and 250 tons of paper. Approximately 320,000 miles of single conductor copper wire will be used, together with 10,000,000 conductor feet of distributing frame wire, 56,000 poles, 950 tons of bare copper wire, 500 tons of galvanized iron wire and 875,000 duct feet of underground conduit.

Telephone a Convenience

During the past year or two there has been a marked change in the attitude of the public toward the telephone. As a means of communication, the importance of the telephone will not be denied. Heretofore, however, it has been considered a necessity. Now it is considered a convenience. And the Bell Telephone Company is doing everything in its power to foster that feeling.

To this end the company has expended large sums of money on improving its equipment and this year's outlay of $22,000,000 is part of a programme that will be in force for some years to come.

Business Demands Increase

Three phases of telephone service have been carefully considered by the company. The first of these is the business telephone. Not so long ago, many important companies considered that one or two telephones was sufficient for their needs. Even today there are many concerns with inadequate number of telephones.

Special campaigns have been put on by the company to show these business firms how they can save time and labor by the greater use of the telephone. Where new offices are being opened up, this campaign has met with great success. In the new Royal Bank Building, for example, a number of new private exchanges were installed for companies which hitherto had been content to get along with a few individual phones. This is entirely separate from the bank itself, which added a large number of phones to its service.

Although the opportunities for expansion of telephone service in the home is not so great as in business offices, yet considerable headway has been made in installing extension telephones. Here it is not a matter of necessity, but of convenience. The additional cost of installing an extension is small and it has made a popular appeal to the householder.

Long Distance Improved

Perhaps the greatest progress has

(Continued on page 2, col. three)

Canadian is Named on Mond Nickel Board

Canada is now represented on the board of Mond Nickel Co. by J. P. Bickell, president of McIntyre and other companies. Dr. C. V. Conless as managing director of Mond was the sole Canadian director for years. He has resigned from the board.

Canadians have acquired a substantial interest in Mond Nickel ordinary shares during the past year, large block of the stock have been purchased in London for Canadian account. Dividend payments on this stock for 1927-8 total 27½ per cent. on £1 par. The shares are quoted 8 or 9 times par.

HOWARD SMITH MARKET VALUE UP $2,334,450

Company's Position Makes For Satisfactory Outlook

From Our Own Correspondent

MONTREAL.—Since the acceptance by the shareholders, of $150 a share for the common stock, the market value of the Howard Smith Paper Mills has advanced $2,234,450.

At present the company's market valuation totals $16,175,000. This is on the basis of outstanding $7,000,000 of bonds, 45,000 shares of 6 per cent. preferred at 93 and 200,000 shares of common stock at 25, and compares with a market value before the new interests took control of $13,590,550.

The last balance sheet of the company, for the calendar year 1927, shows total assets of $14,193,923. Deducting from this current liabilities of $341,858, there is left $13,852,075.

Book Value $13.44

This latter sum then represents the book value of the concern. If the present issue of bonds and preferred stock is deducted, there remains a balance of $2,687,075 representing the equity back of 200,000 shares of common stock now outstanding. The book value of the common, therefore, amounts to roughly $13.44 a share.

Under the old regime there were 36,937 shares of common stock outstanding, par value $100 each, or a total of $3,693,700. The last dividend was paid in 1924. Early this year the Holt-Gundy interests made an offer of $150 cash for the common stock, or in lieu of that $100 in cash and two shares of the new no par common. Thus, on the present market price, the shareholders who elected to take the alternative offer show no loss, with the possibility of an appreciation in the value of their holdings.

The preferred stock shareholders have not fared so well. The preferred was offered in the middle of May last at par, with a bonus of one-fifth share of no par value common. Thus, at current prices of $93 for the preferred and $25 for the common, the preferred holder has a loss of $2 on each $100 invested in the company.

Outlook Satisfactory

This decline in the value of the preferred is not unexpected in view of the depression in the paper stocks. Fortunately Howard Smith Paper Mills is a fine paper producer and not a newsprint manufacturer, so that the recent slump in newsprint stocks did not affect it to any degree.

The position of the preferred and common stock shareholders is further improved by the complete acquisition by Howard Smith of the ownership of the Canadian Cellulose Co. The subsidiary company's plant, which adjoins that of the parent company's at Cornwall, in 1927, began to manufacture bleached soda pulp, with a daily production of 50 tons. In time this enterprise may be a profitable source of income for the parent company.

BEER STOCKS MAKE PROFIT IN LAST YEAR

Investors Gain is 35 Per Cent. on Average Price

SEVEN OF TEN ARE UP

National and B. & D. Are Leaders With Industrial Alcohol and Walkers Gaining Some

Investment in liquor stocks has been profitable in the last year. In July, 1927, there was keen interest in the liquor stocks because the Ontario Government's new plan for selling liquor had just got into operation and fat profits for the beer and whisky companies were expected to be forthcoming. As usual, the rosiest predictions have not been fulfilled, but the average investor nevertheless has no cause for complaint. The average price of ten active stocks was eleven points higher on July 19, 1928, than on July 10, 1927. As the average price was around 30 a year ago the profit is better than 35 per cent.

National Breweries and Brewers & Distillers have proven to be by far the best investments. National Breweries has advanced more than 60 points from a high price of 70¾ a year ago. This fact will be noted with interest by many investors who will recall that the interest which centred in the liquor stocks a year ago was engendered by the change in the Ontario law. But the biggest advance has been experienced by a company which sells but little of its product in Ontario. Its sales are confined largely to Quebec Province. Brewers & Distillers is 2½ times its value of a year ago.

Canadian Industrial Alcohol has proven to be the next best investment, in so far as market appreciation is concerned, with Hiram Walker following. Industrial Alcohol has advanced more than 14 points, while Walker's is up 11 points. It is interesting to note that the Walker shareholders have done a little better than the Gooderham & Worts shareholders in the last year, the G. & W. being about three points higher than the Walker shares in July, 1927.

New Issues Since

The ten stocks used for the comparison were the only ten liquor stocks traded a year ago. Since then, Carling's has come on the market as has also Canada Malting. Both these issues have shown good profits at

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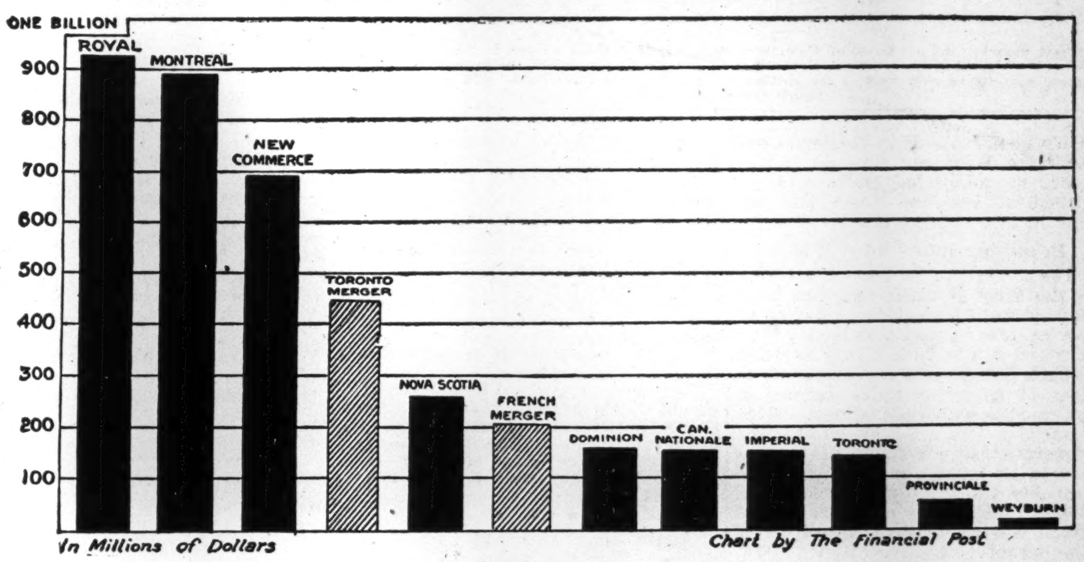
How Banks Rank—and Might Rank



The above chart shows the relative position, from the standpoint of total assets, of each of the ten Canadian banks. The two shaded columns also indicate the position of the two mythical mergers now discussed, the larger one being that of Imperial-Toronto-Dominion banks and the smaller one the French-Canadian bank. Both are mere possibilities. The accompanying article indicates that to set up another bank to rank with the Big Three would require a combination of the Nova Scotia - Toronto - Dominion -Imperial banks with total combined assets just about equal to the assets of the Commerce and Standard.

Some of the existing banks are the product of combining even more than four banks.

Bank assets at May 31 last were as follows:

Royal	$924,770,962
Montreal	896,182,587
Commerce	583,107,379
Standard	104,486,821
Comm.-Stand.	687,594,200
Nova Scotia	259,642,421
Dominion	150,619,083
Nationale	148,739,951
Imperial	147,013,414
Toronto	142,328,332
Provinciale	54,602,453
Weyburn	6,171,035

Empirical Mergers of Remaining Banks Framed by Gossips

Four Bank Combine With $700,000,000 of Assets

FOURTH LARGE BANK

See Too Possibility of Two French-Canadian Banks Merging in Time With $200,000,000 Assets

It was inevitable that the Commerce-Standard merger should revive discussion of other mergers. The definite statements by executives of both banks that the merger was in line with the tendency towards fewer and larger banks in Canada was in itself enough to start tongues wagging.

Even though there are signs apparent that the public wants no more of bank mergers, that does not stop the gossips from projecting other banking combinations.

Two "logical" combinations at once suggest themselves. A "logical" combination is apparently one that will get by the minister of finance, who has declared himself as opposed to shifting the balance in banking as between Montreal and Toronto. Thus, Toronto banks may merge only with Toronto banks and Montreal banks with Montreal banks.

Three-Bank Merger

In Toronto, the four banks that are left out of the seven after the Big Three—Montreal, Royal and Commerce—have been eliminated from discussion are the Nova Scotia, Dominion, Imperial and Toronto. A few years ago there was talk of a merger between the latter three. This has been revived, though probably to the embarrassment of the officers of these banks who declare that such a merger is purely hypothetical.

Such a merger would provide a bank with total assets of $400,000,000 as follows: Dominion, $151,000,000; Imperial, $147,000,000; Toronto, $142,000,000.

In Montreal there are only two banks outside of the Big Three, the Banque Canadienne Nationale and the Banque Provinciale du Canada. A merger of these two has been, from time to time, discussed, but again quite unofficially. It is not certain that either side wants it. But both banks are French Canadian in aspect. Their combined assets would total over $200,000,000. The figures follow: Can. Nationale, $149,000,000; Provinciale, $55,000,000: Total, $204,000,000.

Neither of these combinations would provide a bank to rank in size with the Big Three, although they would be substantial institutions for all that.

Another $700,000,000 Bank

About the only way that a fourth large bank in the three quarter billion dollar class could be set up by a merger of the present banks would be in the union of the Nova Scotia, Toronto, Dominion and Imperial. The combined assets of these four would be as follows: Nova Scotia, $260,000,000; Dominion, $151,000,000; Imperial, $147,000,000; Toronto, $142,000,000: Total, $700,000,000.

This would create a bank that would be practically neck and neck with the Commerce.

All four of the banks mentioned have their administrative head offices in Toronto.

If, as leading bankers say, Canada is to get down to a few large banks, it must be by merger of the existing banks and the mergers above discussed are the "logical" ones.

But several things stand in the way of their consummation. The shareholders and directors of the banks referred to may prefer to let each bank go its own gait, as they are doing very successfully right now. Or the government might not permit further mergers, although its policy in that regard seems to exist only for the breaking thereof. But what is more important, and probable, the public may have had its fill of mergers and refuse to accept any more such combinations without expressing its disapproval.

No, Imperial Oil not to Buy McColl-Front

One of the latest financial rumors is that Imperial Oil is negotiating for the purchase of McColl-Frontenac. The "Cyclo" gas marketed exclusively by McColl-Frontenac in Canada is cited as the attraction to Imperial Oil, which markets a rival high-test gas in "Ethyl."

"Bunk!" said a McColl-Frontenac executive when told of the report.

"Ha! Ha!," said an Imperial Oil official who is even marveling at the multiplicity of street rumors. Incidentally, this official said there is no foundation to the report.

SUBSTANTIAL GAIN BY IMPERIAL OIL IN CANADIAN WEST

Business in Eastern Canada Has Also Been Quite Satisfactory

Imperial Oil Limited during the past six and a half months has enjoyed record sales on its total Canadian business.

Particularly in the Canadian West have sales been satisfactory, with an increase of more than 35 per cent. over last year, compared with an expected increase of 25 per cent. The reason for this big gain has been twofold; a tremendous increase in the use of tractors, combines and other power machinery, and a higher prosperity ratio with resultant greater purchase and usage of pleasure cars of all sorts. The latter accounts for the persisting greater demand for gasoline and lubricating oils at a season of the year when consumption usually slackens due to seeding and spring harvesting being completed. At the present time there is an unusually heavy seasonal demand for gas and oil, attributable in part to the reasons stated above.

So heavy has been the tax upon Imperial's resources in the West, that they have only been able to make the grade because of their numerous distribution storage plants scattered throughout the West and the nimble use of the 4,000 tank cars which have been run on express schedule for several months, presenting the spectacle of long trains of as many as fifty cars rushing across the prairies at speed usually reserved for crack fliers.

Asphalt Business Good

In Eastern Canada gains in business have not been so large as in the West, though satisfactory gains have been registered.

The asphalt business, handled largely through Montreal, has assumed large proportions. This is a by-product of the Mexican crudes which are refined in Montreal and leave the valuable asphalt residue. Contracts for supplying this asphalt have been made ahead for several months' supply, and this branch of the company's business now amounts to quite a substantial sum annually.

ARNOLD BROS. SHOWS SIGNS OF GAIN NOW

New Management Reported to be Making Real Progress

TROUBLES STILL EXIST

Yet Changes Effected so Far Have Been For Better and Hopes of Success Are Apparent

Consolidated Food Products, holding company for Pure Food Stores and Arnold Bros., is reported to be making good progress. M. Zahler, who headed the Pure Food Stores prior to the merger, now is general manager of the whole enterprise, and it is said that steps have been taken which shows signs of converting losses, in the operation of Arnold Bros.' stores, into profits. The new management has not been in control sufficiently long as yet to lead financial interests concerned to express entire confidence. Their opinion is, however, that the shareholders are in a more hopeful position than they have been for a year or two.

Arnold Bros. was a chain of meat and provision shops which was taken over by a public company after a number of years of success. A few months later, the A. Martin chain was acquired from the William Davies Co., and this brought the number of shops to more than 100. There were numerous problems of co-ordination and operating personnel which were not dealt with successfully prior to the organization of Consolidated Food Products, and Arnold Bros. was hampered further with numerous parcels of real estate which were acquired with the A. Martin chain.

Four Major Problems

The executive committee of the directors of the new company was confronted with these problems, among others:

1. To merge Arnold Bros. into the more successful Pure Food Chain without loss of efficiency.

2. To devise a more successful system of merchandising for Arnold Bros., which had been operating as combination of meat, vegetable and grocery stores.

3. To weed out inefficient managers and clerks and to devise adequate supervisory methods.

4. To dispose of real estate which could not be economically used in the business, especially with a view to increasing the turnover of the gross capital employed.

It is not pretended that all four, or any, of these problems have been solved satisfactorily. But in each case, it is said, progress is apparent and the growing volume of business is evidence that the ultimate success of the chain is not impossible.

Resumption of dividends on the preferred stock of Arnold Bros. is not an immediate prospect. The dividends are now in arrears for a year. Recent market of both the preferred and common indicates some confidence in the future of the company. Dividends on the first and second preferred of Pure Food Stores are being paid regularly.

Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of July 18	$ 88.9	$ 85.5
Week of July 11	92.2	87.2
Month of July, 1927	70.8	65.1
9 Bank Stocks		
Week of July 18	$292	$290
Week of July 11	298	291
Month of July, 1927	257	251
10 Public Utilities		
Week of July 18	$111	$108
Week of July 11	113	109
Month of July, 1927	97	92

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	3	5	1	9
Paper	2	11	4	17
Steel	9	13	20	42
Foodstuffs	11	15	28	54
Utilities	2	11	17	30
Tractions		5	8	13
Textiles	3	2	13	18
Industrials	16	45	41	102
Total	46	107	132	285

32 Banks Dwindle to Ten in Twenty years of Canadian Banking History

1908	1909	1910	1912	1913	1914	1917	1918	1919	1922	1923	1924	1925	1928	Situation To-day
Union Northern Crown Quebec Traders Royal Union of Halifax	Union North. Crown Quebec Traders Royal Union of Halifax	Union North. Crown Quebec Traders Royal Un. of Halifax	Union North. Crown Quebec Traders Royal	Union North. Crown Quebec Royal	Union North. Crown Quebec Royal	Union North. Crown Quebec Royal	Union North. Crown Royal	Union Royal	Union Royal	Union Royal	Union Royal	Union Royal	Royal	Royal
Molsons Merchants Bk. of B.N.A. Montreal	Molsons Merchants Bk. of B.N.A. Montreal	Molsons Merchants Bk. of B.N.A. Montreal	Molsons Merchants Bk. of B.N.A. Montreal	Molsons Merchants Bk. of B.N.A. Montreal	Molsons Merchants Bk. of B.N.A. Montreal	Molsons Merchants Bk. of B.N.A. Montreal	Molsons Merchants Bk. of B.N.A. Montreal	Molsons Merchants Montreal	Molsons Merchants Montreal	Molsons Montreal	Molsons Montreal	Montreal	Montreal	Montreal
Sterling Western Standard Hamilton Eastern Tp. Commerce	Sterling Western Standard Hamilton Eastern Tp. Commerce	Sterling Standard Hamilton Eastern Tps. Commerce	Sterling Standard Hamilton Eastern Tps. Commerce	Sterling Standard Hamilton Commerce	Sterling Standard Hamilton Commerce	Sterling Standard Hamilton Commerce	Sterling Standard Hamilton Commerce	Sterling Standard Hamilton Commerce	Sterling Standard Hamilton Commerce	Sterling Standard Hamilton Commerce	Sterling Standard Commerce	Standard Commerce	Standard Commerce	Commerce
Imperial	Imperial	Imperial	Imperial	Imperial	Imperial	Imperial	Imperial	Imperial	Imperial	Imperial	Imperial	Imperial	Imperial	Imperial
Ottawa Metropolitan Bank of N.B. Nova Scotia	Ottawa Metropolitan Bank of N.B. Nova Scotia	Ottawa Metropolitan Bk. of N.B. Nova Scotia	Ottawa Metropolitan Bk. of N.B. Nova Scotia	Ottawa Metropolitan Bk. of N.B. Nova Scotia	Ottawa Metropolitan Nova Scotia	Ottawa Nova Scotia	Ottawa Nova Scotia	Ottawa Nova Scotia	Nova Scotia	Nova Scotia	Nova Scotia	Nova Scotia	Nova Scotia	Nova Scotia
Toronto	Toronto	Toronto	Toronto	Toronto	Toronto	Toronto	Toronto	Toronto	Toronto	Toronto	Toronto	Toronto	Toronto	Toronto
Dominion	Dominion	Dominion	Dominion	Dominion	Dominion	Dominion	Dominion	Dominion	Dominion	Dominion	Dominion	Dominion	Dominion	Dominion
Hochelaga Nationale	Hochelaga Nationale	Hochelaga Nationale	Hochelaga Nationale	Hochelaga Nationale	Hochelaga Nationale	Hochelaga Nationale	Hochelaga Nationale	Hochelaga Nationale	Hochelaga Nationale	Hochelaga Nationale	Nationale	Nationale	Nationale	Nationale
Provinciale	Provinciale	Provinciale	Provinciale	Provinciale	Provinciale	Provinciale	Provinciale	Provinciale	Provinciale	Provinciale	Provinciale	Provinciale	Provinciale	Provinciale
Weyburn	Weyburn	Weyburn	Weyburn	Weyburn	Weyburn	Weyburn	Weyburn	Weyburn	Weyburn	Weyburn	Weyburn	Weyburn	Weyburn	Weyburn
Home	Home	Home	Home Internationale	Home Internationale	Home	Home	Home	Home	Home	Failed				
Farmers St. Stephens	Farmers St. Stephens	Failed Failed												
			Vancouver	Vancouver	Failed									

1911—No changes took place.

1915 and 1916—No changes took place.

1920 and 1921—No changes took place.

1926 and 1927—No changes took place.

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HONEY DEW PURCHASES U.S. RIGHTS

Also Incorporates Western Subsidiary For U.S. and Canada

EXPANSION PLANS

Include Virtually International Organization — Profits Are Good

Two important events, calculated to have a far-reaching effect in the development of Honey Dew's business on the North American Continent, occurred this week. One is the bringing into being of the Honey Dew Western Limited; and the other is the outright purchase by Honey Dew, Limited, of the full Canadian rights to operate Honey Dew businesses across the border in the United States.

Formerly the right to operate Honey Dew shops in the United States was owned by private interests that maintained only a small business in connection with copyright requirements; and the Honey Dew, Limited, had rights to manufacture and sell in all the rest of the continent and in South America. Now the purchase of the American company and its manufacturing and distribution rights opens a vast new field, part of which it is the company's intention to tap at an early date, probably through expansion of the western business going forward under the name of Honey Dew Western, Limited.

Honey Dew Western

Honey Dew Western, Limited has an authorized capitalization of $200,000 7 per cent. cumulative preferred stock, par value $100 a share, and 35,000 shares no par value common stock. The preferred is convertible into common during the next five years, at the rate of 3 shares common for each share preferred during the next 2½ years, and 2 shares common for each preferred during the second 2½ year period. Thus, an immediate value is placed upon the common as 1-3 the value of preferred, with a later valuation for conversion purposes of 50 per cent. value of preferred.

The matter of a public issue of Honey Dew, Western is at present temporarily held in abeyance pending decisions as to whether the American field will be immediately developed or held over for a short time. The Canadian end of the new company has already been looked after so far, at any rate as far as the initial operations are concerned; and it hinges largely upon the company's immediate policy re developing western United States as to what financing will further be necessary. Eventually the Honey Dew Western will probably plant stores throughout the American West, the forward-looking plans of the executives calling for the development of Wisconsin, Minnesota, the Dakotas, Montana, Washington and Oregon at as early a date as feasible. Just precisely when this will be is not as yet decided; but it is believed that before many months have elapsed the fertile field of the western United States will have been profitably tapped.

New Western Units

For the time being the efforts of Honey Dew Western will be largely confined to developing the Canadian western business, operating out from Winnipeg, where E. D. Martin & Son of Druggists Limited, large investors in the company, will have a great deal to say in shaping of the Western business. Saturday of this week the first Winnipeg store will be opened; and within ten days the second unit is expected to be in operation. The opening of the first Vancouver unit is scheduled for less than a month from now, with a second unit planned to follow within a further ten days. Thus, before the month of August will have passed, Honey Dew Western will have more than a good foothold in Western Canada from Winnipeg through to the coast, as additional units will be opened as required from time to time in this western chain.

Branching into United States

The American business, in so far as the West is concerned, has been planned as a logical development of this western business, as Honey Dew Western will be in a strong position to both finance and supervise operations of American units planned in the northern border states. This American business, owing to the numerous large centres of population to be tapped, is expected to be probably the most profitable of all Honey Dew's chain of units. All of which will rebound to the profit of the parent company. Honey Dew, Limited, as the latter owns around 80 per cent. of the common shares of Honey Dew Western Limited.

Regarding operations of the parent company, Honey Dew, Limited, officials are quite optimistic. While this is a great spending year for the company, which has expanded in the past seven months from a handful of units to some twenty-five units now in active operation with many more planned to follow shortly—earnings have nevertheless been satisfactory, and to date and well over the previous estimate. The expansion programme is naturally taking a lot of money which will only show average earnings per unit for a few months of this year as some of the units will likely only be in operation a short time before close of the company's fiscal year. By the end of September the Ontario business will likely be pretty well rounded out so far as completeness of organization and location of units is concerned; and it will therefore be a year from September before an adequate idea of the company's earning power can be properly arrived at. In the meantime, earnings of no mean magnitude are being made; and as mentioned above, even with the average unit in operation for only a few months, the current year's earnings are expected to be well up to the original estimate.

Officials of the company state that they have nothing to fear from competition even of the imitative class as expert management combined with several unique but expensive features of the restaurants render it prohibitive for smaller organizations to successfully compete. Both restaurants and kitchens are completely sealed so as to be absolutely vermin proof; and mechanical methods are whole-heartedly employed to the elimination of human handling of food wherever possible. The highest type of service is maintained, practically all articles served being the result of special Honey Dew formulae and recipes. And with the benefit of chain store buying facilities the maximum in value can be given for every cent expended by the consumer.

Standard Shareholders Gain Most

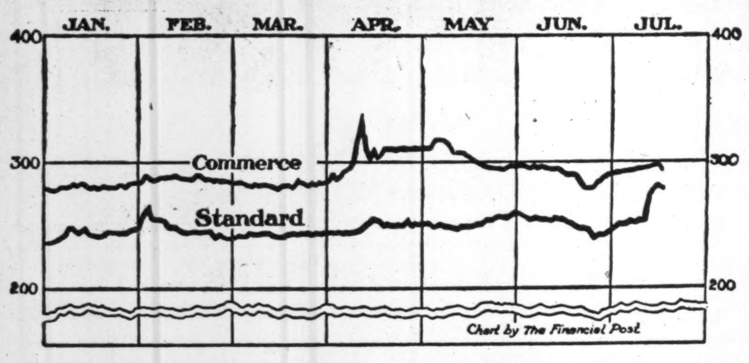

Chart shows trend of Bank of Commerce and Standard Bank shares in the market since beginning of the year. It shows that in a share-for-share deal in the new bank merger Standard shareholders are getting a stock that has consistently sold for many points above their own.

THE NATION'S BUSINESS

(Continued from page 1)

cially discussed, The Financial Post feels that the country is past the time when a halt should have been called.

* * *

The viewpoint herein expressed is the same as the viewpoint expressed in these columns earlier in the year. Referring on March 16 to the proposed Commerce-Standard merger—the names of the banks were not used but were thinly veiled—we said:

"The public mood in Canada is not receptive to the suggestion of any further bank mergers. The reduction in the number of banks in Canada to one-third the number operating before the war, has been effected only at the expense of a rising tide of suspicion that the mergers are not in the public interest and have led to undue concentration of banking power. While this view may be rightly questioned it is never safe to ignore public opinion.

"It may be pointed out that the banks should weigh carefully the effect upon themselves of arousing antagonism by merger discussion. The banks never had a stronger command of public confidence than they have to-day. It is an asset to cherish."

* * *

Again on May 11 when it seemed that the merger was just about consummated, although the minister of finance denied that he had any application before him, The Post said:

"The government should refuse to sanction any merger not dictated by the sternest necessity. Stern necessity for mergers of Canadian banks happily appear to be in the past.

"Another bank merger would be like a red rag to a bull and would arouse public antagonism to the banks.

"The individual customer of the banks likes to think that there are banks besides his own. He wants to sense the presence of competition. Psychologically, the country is the better for having a number of banks."

The opinions then expressed still represent the viewpoint of this paper. Bank mergers are not bad so much because of their economic effect as because of their psychological effect.

This is a factor that our financial leaders can ignore only at their peril. If the banks, by mergers, arouse public antagonism and suspicion, if they provide the antagonists of our present banking system with ammunition with which to undermine it in order to substitute therefor a system based on theory rather than experience, they have themselves to blame and the agricultural and business Canada will rue it.

Our banking system is too sound and too effective in helping this nation to fulfil its destiny to warrant any group endangering public confidence in that system.

* * *

ONE must reserve judgment on the merit of the Thornton plan for re-capitalizing the Canadian National Railways until the president of the government-owned lines presents his scheme to Parliament at the next session. But in deciding to transfer to the national debt, where it belongs, much of the fictitious burden of capital charges now blamed on the government railways, the government and the C. N. R. executive are taking the sensible viewpoint. The Financial Post has suggested the re-capitalization of the Canadian National Railways for some time and it has also reported the steps that have been taken to simplify the financial structure, making re-capitalization possible.

Objection has been taken to writing down the C. N. R. debt to the government on the ground that, by so doing, we are fooling ourselves as to what the railway has cost us. But the important thing is not what we have spent on railways in the past but what the railways are costing to-day. When we draw up the Canadian National Railway balance sheet in the same manner as if the line was able to pay the government interest on all of our unwise speculations in the past we are then decidedly fooling ourselves.

BELL TELEPHONE MAKES PROGRESS ON PROGRAM

(Continued from page 1)

been made by the Bell Telephone in improving its long distance service. Scientific research has devised new methods for transmitting and receiving the voice and the company has been making great headway in installing modernized equipment.

A considerable amount of work has been done this year in installing long distance cables to replace the bare wire. For over a year such a cable has been in use between Toronto and Hamilton with great success and it is now being extended to Buffalo. Working eastward the cable has been laid from Toronto to Oshawa. Working out of Montreal a similar cable has been set up as far as St. John's and it is proposed to carry it on to Rouse's Point and thus connect up with the American system. At least $1,000,000 will be spent on this work.

New Machine Developed

Another development which is being carried out by the company this year and which is meeting with a certain amount of success, is the introduction of the telephone typewriter. This instrument is now in operation between Montreal and Toronto and is being sold to companies which desire to be in constant touch with either city.

This machine is similar to that used in stock broker's office. The message is typed on a machine which carries it over the telephone lines to Toronto where it is automatically transcribed on another machine at the receiving one. This is a comparatively new departure for the Bell Telephone but it is expected to work out advantageously.

Extend Services

Furthermore, the company is actively co-operating with the Canadian Pacific Railway Telegraphs, the Manitoba Government Telephone System and the municipal systems of Fort William and Port Arthur, in connecting up by telephone Ontario and Quebec with Manitoba.

Rigorous tests have been carried out proving the transmission capabilities of the line on a full commercial basis. With the elimination of the necessity of switching by a roundabout line through United States points, a considerable savings in tolls will be effected. It is expected that this service will be brought into use very shortly.

Again, the eastward all-Canada link between Quebec and the Maritimes is now being constructed. It is hoped to have this in operation this autumn. This link will afford direct communication between the Maritimes and Quebec, eliminating another series of switching operations over American lines.

LOBLAW PROFIT $4 PER SHARE IN FISCAL YEAR

Gain Per Dollar of Sales is Somewhat Lower Than in 1927

Loblaw Groceterias' profit in the fiscal year ended May 31, 1928, was $4 the share after preferred dividends and sinking fund, compared to $3.05 in the previous year. There were 174,234 shares outstanding during the year and the additional issue brings the total to 191,650, on which $3.60 has been earned.

Gross sales in the last fiscal year were $13,975,186, compared with $10,517,093 in the previous year.

As predicted, the profit per dollar of sales has not grown, probably because of the addition of sixteen new stores during the year, the cost of opening having been paid out of earnings. The profit per dollar of sales in the last year was 5.71 cents, compared with 5.98 in 1927, 5.12 cents in 1926, 4.59 cents in 1925, 4.18 cents in 1924 and 3.68 cents in 1923.

There are now 65 Loblaw stores in operation.

Net profit in 1928 was $798,489, compared with $629,140 the previous year.

MOODIE MERGER MEANS OFFERING OF KNITTER STOCK

Issue of About Half Million of Securities Soon to be Made

Announcement has been made of the merger of four Hamilton knitting mills. The companies interested are the J. R. Moodie & Sons, Ltd., Eagle Knitting Co., Eagle Spinning Mills and Moodies Underwear Ltd. The new company to be formed to operate these mills will be known as the J. R. Moodie Co., Ltd.

All the activities of the different companies will be carried on under one management and under one roof. To this end plans have been prepared for the construction of a modern, three-storey knitting mill on Stanford Ave., between King and Wilson Sts. The plans also provide for a large dye house and water house.

This building development, it is expected, will involve an expenditure of between $300,000 and $400,000. It is understood that Nesbitt, Thomson & Co. are handling the financing.

MUIRHEAD'S READY FOR TOURIST TRADE

New Cafeteria Opens Within Next Three or Four Weeks

Muirhead's Cafeterias, Limited, expect to open their new Brock Building unit in about three weeks' time. This newest unit, located at the southwest corner of Bay and Wellington, will occupy the best part of the large basement of the new Brock Building, and will serve a growing community of new office buildings as well as being adjacent to the Union Station, the Royal York Hotel and other important new structures. It will seat some 250 people; and will be the last word in modern equipment for food serving and in conveniences and comfort for patrons.

Earnings of the other three cafeterias owned by the company are stated to be satisfactory to date with increases in business at each location. The past period is, however, what is known as the "high cost" season of the year when food, standard priced, is handled at the lowest margin due to the necessity of importing a goodly proportion of fruits and vegetables. The ensuing few months, particularly August, September and the fall months, is the best period in the year; and the new cafeteria will be open in good time to come in for its share of this profitable business.

Rights for the new issue of stock sold to finance the new unit are stated to have been all taken up.

Nation's Commerce

Brief Notes on the Canadian Chamber of Commerce Compiled from Official Sources

From Our Own Correspondent

MONTREAL.—Three new members have been added to the working committee of the National Executive of the Canadian Chamber of Commerce, namely, J. B. Machade, managing director of the American Bank Note Company, Ottawa; H. T. Malcolmson, general manager, Toronto, Hamilton and Buffalo Railway, of Toronto; and J. Royer, past president of the Quebec Board of Trade, Quebec. Another man from Toronto will be added to the committee. This is in line with the association's policy of extending the scope of its work by holding meetings of the committee at periodic intervals away from headquarters.

Arrangements have been made for looking after some forty-seven members of the National Chamber of Trade from England, arriving in Canada this week. These men represent the big department stores on the other side. The Chamber has arranged an itinerary for them during their stay in Canada. They will go as far west as Winnipeg, visiting en route Quebec, Montreal, Ottawa, Toronto, Niagara Falls, Hamilton, Fort William, and Port Arthur. On July 27 they will leave for Minneapolis, where they will make another tour of the principal American centres.

Numerous letters have been received during the past week from wholesalers across Canada, expressing appreciation of the work of the association in having the Federal government re-establish the wholesalers' license. This action on the part of the Dominion authorities means a great deal to the wholesalers in that it enables them to carry on their work with less trouble over the sales tax.

P. W. Cann, of Bristol, and Malcolm McKinnon, of Edinburgh, representatives of the Incorporated Sales Managers' Association of Great Britain, consulted with the association this week in respect to arranging for a tour of some fifty members of the association in the summer of 1929. These men, representing the biggest firms in England, also act as export managers for their respective companies. One of the principal purposes of the proposed trip is to give the members an insight into Canadian trade conditions with a view to developing more extensive markets for their products in Canada.

BEER STOCKS MAKE PROFIT IN LAST YEAR

(Continued from page 1)

times, although, in common with the market, are somewhat lower now than for some months. A recent new issue in this group is Canadian Wineries, which as yet has been anything but profitable for the holders.

As will be seen by the accompanying table, seven of the ten issues are selling higher now than a year ago, despite the weakness of the market. The most substantial loss has been registered by Seagram's—now Distillers Corp - Seagram's — which is down 6½ points. Seagram's sold as high as 31½ before the merger but now generally is regarded as a liquor stock for a long hold only.

Toronto Brewing is down from 12 to 9. The market is inactive. Reports are that the company is doing very well. Cosgrave's, one of the few breweries in Ontario which operated for the export market prior to the change in the Ontario law, is down 1½ points.

Some High Yields

In the matter of yield, Cosgrave's is the best of the liquor stocks, giving 7½ per cent. at current prices. No real information apparently is obtainable concerning the operations of this company.

Carling's at current prices gives a yield of better than 6 per cent. The stock got off to a bad start a little more than a year ago and despite satisfactory dividend payments and gradual improvement in distribution the stock still is regarded as less attractive than the whisky stocks.

Canadian Brewing gives a yield of close to 6 per cent. and National Brewing gives a yield of about 3 per cent. Toronto Brewing is not as yet on a dividend basis.

The following table shows the record of these ten stocks over the last year:

	1927 July 19 High	Low	1928 July 10 High	Low	Gain	Loss
Brading Brew.	20	20	28	28	+ 8	
Brew. & Dist.	6½	4½	16	14	+ 9½	
Can. Brew.	27½	26¾	34	33	+ 6½	
Can. Ind. Alco.	32	30½	46¼	43⅞	+14¼	
Cosgrave Brew.	9½	9	8	7½		—1½
Seagram's	25½	21½	19	18		—6½
xWalker's	50½	48¼	61½	57½	+11	
xG. & W.	53¼	51⅞	61½	57½	+ 8¼	
Toronto Brew.	12	12	9	9		—3
National Brew.	70¾	69	134	130¾	+63¼	
Averages	30⅝	29¼	41⅝	39⅞	+11	

x Merged on share for share basis.

Royal Securities Corp. Name New Sales Manager

From Our Own Correspondent

MONTREAL.—Norman M. Scott has been appointed sales manager for the metropolitan district of Montreal by the Royal Securities Corporation.

Mr. Scott had distinguished service with the Canadian Engineers and the Royal Air Force during the war, and has since then been a well-known and familiar figure in the Montreal financial district, having been connected with Hanson Bros. for the past eight years.

The Store for Men

English Foulard Neckwear

ATTRACTIVE English silk neckwear just arrived from England in all the newest patterns including jacquard foulards. They are fashioned from a wonderful quality silk that looks so smart for Summer. Made in a real full size and are carefully constructed. The place to see these ties is in the Store for Men, Street Floor, and the price is $1.50.

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If you have a financial or business problem, you may be sure that this Bank many times has helped its customers solve just such a problem —in its four generations of experience.

This Bank solicits Business Accounts.

THE BANK OF NOVA SCOTIA
Established 1832
Capital, $10,000,000. Reserves, $20,000,000.
Total Assets over $260,000,000.

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Travellers' Cheques provide a convenient means whereby Tourists and Travellers may keep themselves supplied with money.

These cheques are issued by the Bank of Montreal in dollars, sterling and French francs and are accepted everywhere by banks, hotels and business houses.

BANK OF MONTREAL
Established 1817

New Issue

$500,000

Firstbrook Boxes, Limited

(DOMINION CHARTER)

6% First Mortgage Twenty-Year Sinking Fund Gold Bonds

Dated June 15th, 1928. Due June 15th, 1948.

Principal and semi-annual interest (June 15th and December 15th) payable in gold coin of lawful money of Canada at the holder's option at par at the principal office of The Dominion Bank, Toronto, Montreal, Winnipeg and Vancouver. Coupon bonds, denominations $1,000 and $500 with privilege of registration as to principal. Redeemable on any interest date at the option of the Company before maturity, in whole or in part, on sixty days' notice at 105 and accrued interest up to and including June 15th, 1932, thereafter at 104 and accrued interest up to and including June 15th, 1936, thereafter at 103 and accrued interest up to and including June 15th, 1940, thereafter at 102 and accrued interest up to and including June 15th, 1944, and thereafter at 101 and accrued interest to maturity.

Provision is to be made for an annual sinking fund of 2½% of the par value of this issue, commencing on the 15th of June, 1930, estimated sufficient to retire 80% of the total issue by maturity.

Legal Investment for Life Insurance Companies Under the Insurance Act of Canada.

TRUSTEE—The Toronto General Trusts Corporation.
BANKERS—The Dominion Bank.

CAPITALIZATION

	Authorized.	To be Issued.
6% First Mortgage 20-year Sinking Fund Gold Bonds (Closed)	$500,000	$500,000
7% Cumulative Sinking Fund Redeemable Convertible Preference Shares of $100 each	10,000 shares	5,000 shares
Deferred Shares, no par value	3 shares	3 shares
Common Stock of no par value	90,000 shares	60,000 shares

A descriptive circular of this issue, copies of which will be sent on request, contains a joint letter from Mr. John Firstbrook, Chairman of the Board, and Mr. E. Victor Donaldson, President and General Manager, from which and other information we summarize as follows:

THE COMPANY: The Company is acquiring all the issued capital, and on completion of the present arrangements and financing will be the owner of the businesses, undertakings and all the assets of Firstbrook Bros. Limited, and Canada Cartons, Limited, subject to certain agreements as to disposition and conveyance of Toronto lands and buildings of its predecessors. Canada Cartons, Limited, is the successor to the business and has acquired the assets of The Rudd Paper Box Company, Limited. Pending the erection of the Company's new building on lands purchased by it, and installation therein of machinery, plant and equipment acquired from the predecessor Companies, operations will be carried on in the existing factories at Toronto, and arrangements have been made for the dismantling and satisfactory disposition of these factories when the Company's new plant is ready for production. In the interim the Company's rights are fully protected by taking title to the lands in question. In view of the arrangements already made for disposition of present Toronto factories of the predecessor Companies, only the machinery, plant and equipment now installed therein appear in the Balance Sheet.

BUSINESS: Firstbrook Boxes Limited is acquiring a valuable manufacturing site of 10 acres in the Town of Mount Dennis, well known as an industrial suburb of Toronto. The site is located most advantageously on the main line of the Canadian Pacific Railway, and sidings and switches are being built on the Company's premises so as to facilitate reception of raw material and dispatch of manufactured goods. A large building of brick and mill construction will be erected, having a total floor area of about 130,000 square feet.

On completion of the new factory the Company will operate the most modern plant in the Dominion devoted to the combined manufacture of wooden boxes, corrugated paper shipping units and paper cartons. Owing to the economic and large scale manufacturing facilities provided by the new plant, the Company will be in a dominant position in the container and carton industry in Canada.

Government regulations compel the use of wooden shipping cases and boxes for various perishable food products. In this connection it is noteworthy that over 110,000,000 pounds of factory butter is made in Ontario and Quebec, whilst over 165,000,000 pounds of cheese is also produced in these Provinces annually. The supply of wooden packing units to these two industries alone is a large and constant revenue creating factor in the Company's business. Other products generally packed in wooden cases are radios, phonographs, pianos, beverages, preserved fruits and vegetables, etc.

The new Company also anticipates an increasingly profitable business through the even wider adoption of the carton type of container. Realizing the trend of the change in packing biscuits and other food products from tins to cartons in 1924, Canada Cartons, Limited, arranged for exclusive rights in Canada and the British Empire from the Robert Gair Company of New York, to manufacture their special types of shipping containers. Firstbrook Boxes Limited will have the sole right in the said area for the period of five years from July 1, 1928, to use all designs, engravings, inventions and patents, etc., originated by the research department of Robert Gair Company, who are the largest producers of cartons and shipping containers in the world. The development of these manufacturing rights is another element which, it is anticipated, will most favorably reflect on the Company's future business.

SECURITY: The bonds will be secured by a first and specific mortgage on real properties at Mount Dennis, Thessalon and Penetang, Ontario, to be owned, and other properties, if any, hereafter to be acquired by the Company, also on plant, machinery and fixtures of the Company situated on certain Toronto properties. They will also be secured by a first floating charge on all the Company's undertaking, property and assets, other than the specifically mortgaged premises as provided in the Trust Deed.

EARNINGS: Messrs. Thorne, Mulholland, Howson & McPherson, Chartered Accountants, certify that the consolidated earnings of the predecessor Companies for the fiscal years 1925 to 1927 inclusive, after giving effect to the agreements entered into by the new Company, the elimination of certain non-recurring salaries, expenses and revenues, as certified to by the management, which will become effective when the Company's operations are concentrated in the new plant to be presently erected, are as follows:

	Earnings before Depreciation & Income Tax	Depreciation	Income Tax at present Rates	Earnings after Depreciation & Income Tax
1925	$172,712.75	$43,314.80	$ 7,791.84	$121,606.11
1926	163,241.70	44,141.02	6,968.00	112,132.68
1927	215,123.29	46,772.26	10,908.08	157,442.95

The average net earnings for the above three-year period, after deduction of Federal taxes and making ample allowance for depreciation, etc., were $130,393.91, equal to 4.34 times bond interest requirements of this issue. Net earnings in 1927 of $157,442.95 were equal to over five times bond interest requirements of this issue.

Earnings of the predecessor Companies for the first five months of 1928 are considerably in excess of the same period of 1927.

ASSETS: The value of the plant, machinery and equipment of the Company as per appraisal of Sterling Appraisal Company, Limited, at depreciated appraised values and of the land being acquired and buildings to be erected at cost, is $844,965.67. Net current assets upon completion of this financing after deducting all current liabilities, as certified by Messrs. Thorne, Mulholland, Howson & McPherson, in 1928, are $441,545.24. The combined value of fixed assets on the above basis, together with net current assets, therefore, will exceed $1,286,500, which is equivalent to $2,573 for each $1,000 of this issue to be outstanding.

CONTROL AND MANAGEMENT: The control and management of the Company is in the hands of Mr. John Firstbrook, who is Chairman of the Board; Mr. E. Victor Donaldson, President and General Manager, and Mr. Harold Firstbrook, Vice-President. These gentlemen were all closely associated with the successful management of the predecessor Companies.

PRICE: 100 and accrued interest, yielding 6%

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357 Bay Street ELgin 2301

C. H. BURGESS & COMPANY, LTD.
255 Bay Street ELgin 1387

TORONTO 2

These bonds are offered when, as and if issued and received by us, and subject to approval of all legal details by Messrs. Long & Daly, Toronto. All statements herein are based upon information which we regard as reliable, and, while we do not guarantee them, we ourselves have relied upon them in the purchase of the above bonds.

ALLEY SYNDICATE PROVIDES CUSHION AGAINST SLUMPS

Amateur Group Makes Rules for Safety and Splitting Profits

The Alley Investment Syndicate, about which many readers are familiar, has begun its third period of operation and each of the unitholders has been asked to subscribe to the by-laws which govern the division of the profits between A and B units and the terms under which members may withdraw their investment or add thereto.

One important difference between the new by-laws and the informal rules which have governed the syndicate heretofore is that in future there will be a contingent reserve continuing from one period of operation to another. In the two previous pools, all of the profits, less cost of selling stock, were allocated to members. In future, 5 per cent. of the profits will go into special contingent reserve which will be continued as long as the syndicate continues to operate. If, in any seven months' period, there are no profits, or profits of less than 5 per cent., there will be no appropriation for the contingent reserve.

Recent recessions in market values of the stock emphasized the necessity for such a reserve which would not be considered as profits to be divided except in the final liquidation of the syndicate. The new pool began operation July 1 without a reserve of any description. If a slump had come before there had been built a cushion either in realized or unrealized profits there would have been an impairment of capital. A reserve added to every seven months will tend to make the syndicate financially able to weather stock market storms even though the policy of investing only stocks, rather than putting a portion of the funds into bonds, is continued.

The Financial Post has received so many requests for information concerning the Alley Syndicate that a copy of the by-laws of this amateur speculative pool has been obtained and is printed in full herewith:

The syndicate is formed by the members for the purpose of pooling their investment funds to achieve a return and a degree of safety not obtainable by them as individuals.

The syndicate operates for a period of seven months and at the end of each seven month period undergoes financial reorganization and continues for a further seven months.

The third period of operation of the syndicate dates from July 1, 1928, and then it will be reorganized on January 31, 1929.

Participants in the syndicate obtain units of $5 par value for each $5 they invest.

The units are divided into two classes: A. and B. Investments made at the beginning of each seven months entitle the holder to A. units. Investments made on a basis of six equal months payment during the lifetime of the pool entitle the participants to B. units.

At the end of every seven months' period profits will be credited on the A. and B. units. The A. units will share in profits to the extent of twice the dividend that is paid on the B. units.

Provide for Reserve

At the end of every seven months' period profits will be credited on the A. and B. units and the amount of investments left in will be converted into A. units with the exception that a deduction will be made from the market value of the pool's investments to cover selling costs, and an additional 5 per cent. of the actual and unrealized profits will be deducted from the amount of profit and credited to a special contingent reserve. If anyone withdraws all or any part of his investment in cash he will receive the full amount of his investment and profit less selling commission and this reserve.

In the event of the final liquidation of the fund, the amount that remains in the special contingent reserve fund will be divided pro rata among the unit holders of the pool then in operation.

If during any seven months' period the profits have not amounted to more than 5 per cent. no deduction will be made for the special contingent reserve fund.

At the end of each seven months' period the special contingent reserve fund will not be considered as available for distribution to unit holders.

The managers of the pool will be the final authority in determining who is to be considered eligible for membership.

Members of the pool will be privileged to transfer their interest to persons approved by the managers, but if the person to whom the transfer is made with such approval is not already a member he shall withdraw from the trust at the end of the seven months' period. But any person desiring to transfer his interest shall give the pool members the first option of bidding for his interest.

The pool will be managed by five managers to be elected by the unit holders, each unit of $5 par value entitling the holder to one vote. There will be a secretary who will have no voting power at meetings of the managers. If any person drops from the board of managers during the term of the life of the pool, the remaining managers shall have the power to fill the vacancy. Managers will be elected for the current seven months' period only and a new board will be elected at the beginning of the next period. Managers will be eligible for re-election.

Two May Veto

The five managers shall make all investments and authorize all sales. Two members of the committee, present and voting, may veto the purchase or sale of any security. Minutes will be kept of all meeting by the secretary and a resolution moved and seconded will be recorded regarding every transaction.

The managers shall meet at least once a month and as early in the month as it is possible to have a financial statement for the preceding month ready.

Other meetings will be held at the call of any two directors, and three directors present will be considered a quorum.

The managers shall have the authority to fix the remuneration, if any, of the secretary or any other assistant. The managers themselves will draw no remuneration.

Any of the terms of these by-laws may be changed by a vote of two-thirds of the units taken by mail.

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Investment Funds Now Flow Freely Between Dominion and States

For Purpose of Gilt-edged Securities Two Countries Constitute a Single Market—Legalizing of Canadian Bonds Helps Marketing to Savings Banks Across Border

By W. C. PITFIELD, Montreal
Vice-president, Royal Securities Corporation

For the purpose of high-grade securities Canada and the United States constitute a single market. Notwithstanding the fact that Canada is under a separate and not wholly similar government, investment funds flow as freely from United States centres into Canada as they do into most parts of the Republic, and perhaps somewhat more so than into the less progressive portions of the Southern States.

Thus, although the per capita wealth of Canada is probably some distance below that of the United States the conditions in the municipal bond markets of the two countries are exceedingly similar. The larger municipal and provincial issues of recent years in Canada have been customarily taken up by syndicates including both United States and Canadian dealers, and have been marketed in varying proportions on both sides of the border. The influence of United States market rates is felt even by those municipalities which are too small or too little known to find a market for their issues outside of the Dominion; for the American demand, by restricting the supply in Canada of the larger issues, has pushed up the price of the smaller ones.

Investment Funds Large

But it would be a mistake to ascribe the strength of the Canadian municipal market entirely to the demands of United States investors. In spite of the fact that Canada was in the war nearly three years longer than the United States, and emerged from it with a vastly heavier, and largely external, per capita debt, the accumulation of investment funds has been progressing in this country at a rate but little less astonishing than in the United States. Savings deposits in the chartered banks are now, for example, nearly $1,500,000,000, against less than $1,200,000,000 in 1922, after the readjustment of dollar values. This represents an increase of about 25 per cent. in less than six years.

Virtually the whole of this mass of funds in the banks seeks investment in bonds, for until recently the figures for current commercial loans made by the chartered banks have been showing a downward tendency. A similar or even greater rate of increase is shown by the other great types of investment corporations in the Dominion, notably the life insurance companies; while the number and wealth of private investors have certainly increased quite as rapidly.

While buying power has thus shown a notable increase in the last ten years, both in Canada and the United States, there has been no such remarkable increase in the supply of municipal or government bonds. Such an increase is customarily brought about by one or both of two conditions—an increasing population, and an expanding field of service by municipalities and governments. In the period preceding the war both of these forces were very strongly in operation. Population was flocking into the country, and the urban areas were getting their full share or a little more. At the same time, the belief in public ownership as the appropriate method of financing most of the public services needed by urban residents, and some indeed of those employed by the entire population, was widespread and increasing, with the result that the public credit was utilized for the financing of a vast number of enterprises which in another time or another place would have been looked after by privately owned companies.

Public Ownership Weakens

Since the war the increase of population in the Dominion has been regrettably small, and while the cityward movement has continued, especially toward the larger centres, it has not been so generally pronounced. At the same time, the public ownership tendency has been greatly weakened, largely owing to unsatisfactory results in many instances, and there has been an actual reduction in the total of borrowed funds by several governments and a few municipalities:

These tendencies seem sufficiently to account for the fact that provincial long-term bonds yield between 4 and 4¼ per cent., while those of the largest cities cannot be had at a price which will yield anything like a 4½ per cent. rate. These yields are appreciably lower than can be obtained by the British investor from British government and municipal securities at the present time.

Since there is very little prospect of any increase in the Canadian yield, the only thing which could bring about a restoration of the practice of Canadian municipal financing in London would be a material reduction in the interest rates prevailing in the English market.

Legal Investments

The factor which perhaps does most to assimilate Canadian municipal issues with United States issues in the American market is the fact that they are legal investments for savings banks in several wealthy American states and also for many of the big United States life insurance companies. The American savings banks, which had experienced much the same sort of expansion as that which has been already noted in the savings departments of the Canadian chartered banks, are rigidly limited by law as to the nature of their investments, and the supply of the same type of bonds from United States sources has been falling far short of their requirements—not to mention that the granting of income tax exemption to large classes of these issues has given them a yield so low as to leave hardly any margin for management charges and profits for the savings bank itself. In these circumstances the savings banks of such states as Connecticut, New Hampshire, Vermont and Maine have become large purchasers of Canadian public securities. In addition, virtually all the United States life insurance companies which do business in Canada are carrying far more in Canadian securities than their legal requirements for reserve on their Canadian policies.

No British Interest

Summaries of the Canadian bond sales for 1926 and 1927 show that no issues either by governments or by municipalities were disposed of in Great Britain in those years. Indeed, the only British participation in Canadian bond issues of any kind was for about $10,000,000 of corporation bonds in each year. At the same time Canada was absorbing in these two years a total of $151,972,767 of her own government issues and $96,206,958 of her own municipals, and the United States took $188,608,000 of Canadian government issues and $51,620,804 of Canadian municipals.

These figures can only be approximate as regards the allotment between Canada and the United States, for most of the issues in question are alternately payable in Canadian and United States funds and are traded across the border quite freely, not only at the time of issue but subsequently. There is no such trading between Canada and Great Britain, and for several years virtually no Canadian public authority issues have been made payable in London. Even when coupons are redeemable in Canada alone there is no serious difficulty resulting therefrom to a United States investment corporation owning the bonds. Some of the western Canadian provinces now have scarcely any London maturities still outstanding, and what there are will be found to be long-term issues made in the days before interest rates were pushed up to the levels which they had attained just before the war. This is a remarkable change from the conditions which existed before 1914. Between 1911 and 1914, inclusive, it is estimated that about $870,000,000, chiefly of Canadian government and municipal issues, was marketed in London in the form of issues listed on the London Stock Exchange.

War Brought Changes

The war closed the British money market to Canada, and thereby enabled the Dominion to realize how easy it was to establish a market in the United States, whose people were thoroughly familiar with Canadian conditions and were rapidly accumulating a mass of wealth so great as to necessitate a large amount of foreign investment. It is interesting to note that the receptive attitude of United States investors toward the more gilt-edged Canadian securities appears to have dated from about 1912 or 1913, since in the latter year the American purchases of Canadian bonds, which had been negligible in 1910, for the first time exceeded the annual figure of fifty million dollars. The United States investor was thus ready at the psychological moment to step into the place which was necessarily vacated by Great Britain.

There is, however, no lack of other varieties of Canadian investment which should, and do, appeal strongly to the present inclinations of the British investor. At the head of these may be placed the well-selected industrial bond class, examples of which may still be had to yield over 5½ per cent., and with excellent prospects of price enhancement as the market develops and the equity behind the particular issue is strengthened by the putting back of profits into reserve.

Attention may be drawn to the fact that in many cases these bonds and debentures carry with them the right of subscription to common stock, giving the investor the opportunity of participating in future profits of the enterprise without subjecting him to any speculative risk in the meantime. Next in order come the preferred stock issues of the larger industrial and public utility companies, which still offer an excellent yield and can, like the bonds already mentioned, be relied upon to show a steadily improving equity. Finally, for those who can afford the very moderate degree of speculative risk which is involved, a form of Canadian investment which appears to be well suited to the British investor, with his very heavy taxation on income, is a common stock participation in some of the rapidly expanding company enterprises of the Dominion, notably those which are concerned with basic industries or public services.

Look to Future

The return on most of these investments is only partially in the form of dividends; the present market valuation of the securities is based much more on the anticipation of steady growth in the value of the property than on the immediate distribution of profits.

It is evident that where saving for the future is any part of the investor's program it is much better that this saving should be performed for him by his company, and retained in the assets, than that it should be done by himself out of income which has been taxed in the process of reaching him.

It is true that the earnings of Canadian companies are still subjected to a fairly substantial corporation income tax; but the allowances for reserves and depreciation are reasonably generous, and the tax has certainly not prevented most of these companies from showing very satisfactory net results for several years past. In a good many cases, it is clear, the tax is actually transferred to the selling price of the commodity or service, and makes little real difference to the shareholders.

Kelly Dry Pure Juice Signs Important Contract

From Our Own Correspondent

MONTREAL.—A contract has been signed for the sale of Matzka Juice in sixty stands of the New York Interborough Subways. Contract amounts to a minimum of $200,000. The Matzka process of treating fruit and vegetable juices is owned by the Kelly Dry Pure Juice Corporation, in which Canadian interests are largely identified.

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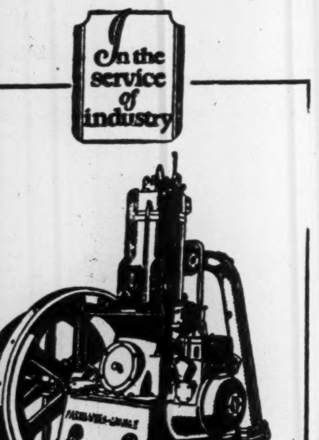

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1. Second Diversified Standard Securities, Limited is a specific type of Investment Trust, formed for the purpose of acquiring, holding, and selling stocks, shares, bonds, scrip or any other securities of the Standard Oil Companies or their subsidiaries. These Companies conduct operations in 60 countries of the world covering every phase of the petroleum industry, including production, refining, transportation, marketing and manufacturing.
2. It is designed to give the purchasers of its shares:
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EAST KOOTENAY OUTLOOK BETTER FOR NEW ORDERS

Further Electrification of Crow's Nest Mines Means Much

From Our Own Correspondent

MONTREAL.—New developments, which are taking place in the coal mining districts of the Crow's Nest Pass, promise to have a good effect on the operations and earning power of the East Kootenay Electric Company.

Late last year a contract was signed by East Kootenay Power with the Crow's Nest Pass Coal Company, to supply the latter with sufficient power so that it could electrify its mines. At present the necessary alterations are being made on one mine and it is expected that power will be turned on in the near future. This contract calls for an additional 2,600 horsepower per annum.

Other mines in the same district, notably Hillcrest, also have under consideration the advisability of electrifying their mines. Electricity is being used at present by all of these mines, of course, but if they decide to go ahead and make complete electrification, the result should be decidedly beneficial to the East Kootenay Power.

Another Source

A further increase in demand for the company's power is possible through the anticipated erection of a plant by the Consolidated Smelters in the Fernie district for the treatment of phosphate. Smelters has been carrying out experiments in the production of phosphate fertilizer and results this year will largely determine the value of this product. If successful, Smelters will probably go ahead with the construction of a plant and will secure its power supplies from the East Kootenay Power.

For the current year, production figures of East Kootenay Power have shown little change as compared with those recorded last year. The first unit of the new steam auxiliary plant of 5,000 k.w. capacity has been completed. Work is far advanced on the second unit of a similar size.

This additional capacity will provide the company with the necessary reserve supply to take care of increased demands for some time to come.

Quebec City Reports Surplus for Past Year

From Our Own Correspondent

MONTREAL.—A surplus of $43,592 for the fiscal year ended April 30 last, is reported by the city of Quebec.

Total revenue for the year amounted to $3,139,130, with expenditures estimated at $3,095,538, leaving the figures for the net debt on April 30, 1928, of $17,440,837, an increase over the previous year, when the net debt amounted to $17,110,301. The figures for the net debt on April 30 last, however, comprise debentures paid on Jan. 1, 1928, amounting to $45,000 and $250,000 respectively.

The balance sheet shows the city's revenue derived from: assessment role, taxes, etc., $2,260,452; water taxes, $605,557; revenue from other sources (collected), $220,538; waterworks meters (collected) $52,582.

Joins I. P. Board

MONTREAL. — Walter C. Baylies, well-known Boston business man, has been elected a director of the International Paper Company. Mr. Baylies is a member of the firm of Amory, Browne and Company of Boston, is chairman of the executive committee of Edison Electric Illuminating Company of Boston, and is a director of numerous other New England enterprises.

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Public Utility Investments

TORY LEADER ASKS PUBLIC OWNERSHIP OF 7 SISTERS SITE

This is Latest Complication in Winnipeg Electric Plea

UP TO BRACKEN NOW

Dominion Government Now Must Take Advice of Provincial Government, Which Demands Private Ownership

From Our Own Correspondent

WINNIPEG.—The power question in Manitoba and the matter of the projected lease of the Seven Sisters site on the Winnipeg River to the Winnipeg Electric Railway continue to be matters of active controversy. Several recent developments have taken place, of which the most important is the agreement reached between the Dominion Government and the Government of Manitoba that the natural resources of the province are to be transferred as soon as possible to the province, and that in the meantime they are to be administered by the Dominion Government in accordance with the wishes of the Provincial Government.

That appears to put out of court for the future the Manitoba members at Ottawa, whose objections have been responsible to date for the failure of the Winnipeg Electric to secure the lease in question, although it was favored by the Provincial Government. It would appear that the minister of the interior is now bound to issue a lease of the Seven Sisters site to the Winnipeg Electric if requested by the Provincial Government to do so. If the federal members from Manitoba continue their objections, Mr. Stewart's proper course would seem to be to refer them to the premier of Manitoba.

Province May Now Delay

On the other hand, it is not certain that the Provincial Government will immediately make such a request. With control of all the resources now in its hands, the government may think it expedient to develop its plans on a larger scale before proceeding with any of them in detail.

F. G. Taylor, leader of the provincial Conservative party, has come out with a statement of policy, first in a letter to the Winnipeg Tribune, and later in an address made on the 12th of July to an Orange gathering at Morden, Man. Mr. Taylor starts the statement of his position with the declaration that:

"One is forced to the almost unalterable conclusion that the sooner a policy of public ownership of our water power is established the better it will be for the people of Manitoba."

Compares Power Rates

This is followed by a lengthy comparison between rates for electricity in Ontario and in Winnipeg with those prevailing in the United States, and the declaration is made that the alleged evils of public ownership, inefficiency and extravagance, and political patronage, have been completely disproved by the Ontario Hydro-Electric Commission, and partially at least in Winnipeg.

Mr. Taylor declares:

"As a matter of fact these alleged evils are completely overshadowed by one advantage accruing to the publicly owned utility, namely, cheap money. It is an invariable characteristic of a hydro-electric project that at least 60 per cent. of the production cost of power is attributable to the annual fixed charge on the capital investment. When private money cost 8 per cent., public money cost 6 per cent. and now when private money has dropped to 6 per cent. public money only costs 4 per cent.; 2 per cent. dearer money means exactly 20 per cent. dearer power."

Says Development Not Urgent

Mr. Taylor denies the urgency for immediate development of Seven Sisters Falls, and declares that instead of having it developed at once it should be withheld by the province until the time is ripe for public development. He says:

"By preserving that power site now, and developing it when the time arrives that it is needed, the province would have secured for itself ample power to supply the needs of rural Manitoba, where rapid strides in the use of electrical energy are to be looked for in the near future, and it could then retail the balance of the power to the big users, the Winnipeg Electric and the City Hydro, and could thereby make a very handsome profit for the people of Manitoba. The policy at present being pursued by the provincial government means that in a very few years the whole of rural Manitoba is going to be entirely at the mercy of private interests for the supply of electrical energy."

Mr. Taylor further suggests that the Winnipeg Electric should be forced to develop McArthur Falls. That site, it should be explained, is a small one, capable of providing 54,000 horsepower. It is very close to the Winnipeg Electric's, or rather the Manitoba Power Company's development at Great Falls, and it is admitted by all that it can only be properly developed by the company in conjunction with the Great Falls site. The Winnipeg Electric have declared that this should be the last power site on the river to be developed, on account of its small size and the comparatively high cost of power from it.

He also declares that the Manitoba Paper Company should be allowed to develop Pine Falls. They were given a ten-year priority on that site when the pulp and paper mill was established, but were refused permission for immediate development on the ground that power from that site was not yet required in Manitoba. At the present time the paper company secure their power by purchase from the Manitoba Power Company. Mr. Taylor declares that the Manitoba Paper Company are anxious to undertake that development. A few days earlier the Winnipeg Tribune had quoted Bruce Thompson, secretary of the Manitoba Paper Company, to that effect, but Mr. Thompson subsequently denied having made such a statement, or that the matter had recently been under consideration by the board of his company. The Manitoba Free Press has somewhat pertinently called attention to the apparent inconsistency on Mr. Taylor's part in demanding public ownership in connection with one site, and his advocacy of immediate private development in connection with another.

When the Hon. Chas. Stewart, Minister of the Interior, was recently in Winnipeg, he was waited upon by representatives of the Board of Trade and other bodies of business men, urging that the projected lease of the Seven Sisters site should be made at once to the Winnipeg Electric. Mr. Stewart's various replies were to the effect that he did not contemplate immediate action, that there was a difference of opinion on the subject, and that he proposed to allow the situation to develop. Now that the agreement with respect to the control of Manitoba's natural resources has been reached, it would seem that Mr. Stewart is bound to follow the wishes of the Provincial Government if they continue to press for immediate lease of the Seven Sisters site to the Winnipeg Electric.

Heads Box Merger

E. VICTOR DONALDSON, who became president and general manager of Firstbrook Boxes, which will be the largest wholly Canadian owned corporation in the industry, following the amalgamation of Firstbrook Bros., Limited, The Rudd Paper Box Company, Limited, and Canada Cartons, Limited.

BRACKEN SUPPORTS POWER SITE AWARD TO 'PEG ELECTRIC

Says It Would Be Better To Have Company Develop It

From Our Own Correspondent

MONTREAL.—Further support to the story that Winnipeg Electric would secure the right to develop the Seven Sisters Power site, is seen in the statements made this week by John Bracken, Premier of Manitoba.

In referring to the transfer of the natural resources from the Federal government back to the province, John Bracken declared that as far as the Seven Sisters power site is concerned the provincial government would stand by its decision in favor of the site being leased to the Winnipeg Electric Company.

The Premier made a point of the fact that with a private company bearing the heavy cost of developing the site with the government getting all of the power that it wants for 30 years in connection with the provincial hydro and rural Manitoba at rates much cheaper than it could sell the power at if it undertook the development itself, the government would be in the position of getting approximately $100,000 a year from the company as rental for the lease.

If the Winnipeg Electric Company is successful in securing the lease it will mean an additional source of power supply aggregating at least 100,000 horsepower. This will put the company in a strong position in meeting demands in the immediate future. The next move apparently is up to the Federal government, which still has the power to lease the site, but the opinion prevails that an order-in-council will be issued as soon as the cabinet ministers re-assenble this autumn.

Meanwhile, the market is closely reflecting the possibilities of Winnipeg Electric securing this valuable power site. The stock has come in for a lot of attention in the past two or three weeks and its gains have been held.

Enlarge Vancouver Port

The Vancouver Harbor Board expects shortly to begin construction of a waterfront traffic highway on a fill to be made between the Canadian Pacific Railway tracks from Victoria Drive to the terminal dock, the cost of which will be about $90,000.

Now Raise Pheasants

An attempt is being made in the Alsask and Loverna districts of Saskatchewan to raise English pheasants of the ring-necked variety. It is not many years since Hungarian partridge was introduced into Western Canada. The experiment will take some years, it is said, and if successful will furnish an added attraction for bird hunters.

Public Utility Earnings

Southern Canada Power

June—	1928	1927	Inc.
Gross	$ 151,414	$ 122,222	$ 29,192
Expenses	49,733	42,453	7,280
Net	101,681	79,769	21,912
9 months—	1928	1927	Inc.
Gross	$1,340,638	$1,133,050	$207,588
Expenses	427,568	381,300	46,268
Net	913,070	751,750	161,320

Southern Canada Power

	June 1928	June 1927
Gross	$ 151,414	$ 122,222
Expenses	49,733	42,453
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	9 months 1928	9 months 1927
Gross	$1,340,638	$1,133,050
Expenses	427,568	381,300
Net	913,070	751,750

Cape Breton Electric

May—	1928	1927
Gross Earnings	$ 50,409	$ 51,131
Operation	33,365	30,215
Maintenance	6,974	8,359
Taxes	2,106	2,585
Net operating revenue	$ 7,962	$ 9,270
12 Mos. End. May 31:	1928	1927
Gross Earnings	$660,036	$643,859
Operation	394,847	363,576
Maintenance	96,581	99,684
Taxes	31,416	28,003
Net operating revenue	137,191	147,587
Interest charges	68,419	68,989
Balance	$ 68,772	$ 78,598

CALGARY POWER ADDED FINANCING EXPECTED SOON

Big Expansion Program Will Need Additional Capital

From Our Own Correspondent

MONTREAL—The big expansion programme of the Calgary Power Company, coupled with the start which the company has already made in erecting the largest waterpower plant in the province of Alberta, appears to indicate quite clearly that Calgary Power will undertake new financing soon.

Until 1926 the company confined its activities largely to the Calgary territory. Of late years, though, it has steadily expanded its transmission lines to the municipalities and towns of southern Alberta. These expenditures involved a sum in excess of $1,000,000. The company now supplies power to many of the larger cities such as Lethbridge, in addition to supplying other smaller municipalities such as Red Deer, High River, Nanton, Strathmore, Gleichen and Bassano. Some of these municipalities purchase power en block from the company and in others, the company retails power.

At the moment, the city of Edmonton is considering the offer which the company has made to supply the city with power.

The major power development which the Calgary Power has undertaken, is located on the Ghost River. It will be completed next year at an estimated cost of $2,500,000. When this plant has been completed, the company's three Bow River plants will have an installed capacity of some 60,000 horsepower. The actual capacity of the third plant now being erected has not yet been decided on. The company's two plants on the Bow now develop 19,000 and 12,000 horsepower, respectively.

In addition to its hydro-power plants the company now controls several small steam plants, some of which have been acquired from various municipalities when the company commenced its programme of expansion two years ago. The steam plants in Alberta, of course, can be operated at much lower cost in Alberta than in Eastern Canada, due to the fact that they are located close to the Alberta coal fields.

Start on Ghost River

Originally, the Calgary Power Company intended to develop the Spray Lake site but negotiations with the government for the site did not mature and it became necessary to obtain power elsewhere. Hence, the company obtained the right to develop the Ghost River site.

The Ghost River project is the largest of its kind ever handled in Alberta. The project is to be completed by November, 1929. The dam across the Bow—by damming that river and the Ghost River will form a lake of some 2,400 acres in extent. It is understood that some 25,000 horsepower will be developed initially at the site. The construction camps have already been erected at the site, which is located virtually at the junction of the Bow and Ghost Rivers.

Report Held Up

The company has not as yet issued its balance sheet covering the operations of the year ending December 31, 1927. This is another factor indicating that financing will shortly be undertaken to cover expenditures already made and to take care of the company's large hydro-electric expansion programme.

The last available balance sheet shows that the company has a funded debt of $2,758,647 outstanding in 5 per cent. sterling bonds largely held in England. The stock capitalization consists of 19,000 common shares of $100 par value. Obviously such a capitalization is low in view of the large fixed assets of the company.

In the refinancing it might be that the present issue of bonds will be called as the issue is authorized only to the extent of $3,000,000. The bonds are callable at 105. There is no doubt though that in view of the enlarged assets of the company, the management could put out a general mortgage issue on a yield basis which would provide economic financing for Calgary Power.

Montreal Power Extensions Costing Over One Million

From Our Own Correspondent

MONTREAL.—Montreal Light, Heat and Power Consolidated is to erect a new transformer and switching station at a cost of $1,000,000. The plant will not be completed until about the close of 1929. As has dong been the company's policy, the extension will be erected without further financing or without a further offer of stock to the shareholders. It is this policy which has been largely responsible for the wonderful market record of Montreal Power shares over a period of many years. Virtually all plans of extensions have been financed from the liquid resources of the company which have been built up through the steady ploughing back of profits year by year.

Southern Canada Power Net Profits to Show Gain

From Our Own Correspondent

MONTREAL.—On the basis of current earnings, it is likely that the Southern Canada Power Company will show a net operating profit of $1,200,000 during the current fiscal year.

During the past month net earnings amounted to $101,681, as compared with only $79,769 for the same month last year. Cumulative figures for the nine months ended June, 1928, show a net of $913,070. This compares with $751,750 in the corresponding period of 1927, an increase of $161,320.

There has been a steady increase in both gross and net earnings of Southern Canada Power for the past seven years. For the year ended September 30, 1927, net earnings of $991,266 were reported, a gain over the previous year of about $78,000.

Tax Sales Higher

During the first six months of this year the Edmonton land department disposed of city owned land to a much greater extent than during the same period of last year. This not only assisted the city in getting out of the real estate business but also swelled the tax roll. Sales for the half year ending June 30, were $182,958 as compared with $72,121 for the same period of 1927.

Look ahead!
CANADA —— AND THE FUTURE

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JULY BUSINESS OF SAND FIRM AT NEW PEAK

Five Companies in Merger Report Heavy Demands From Builders

Satisfactory progress is being made by the Consolidated Sand & Gravel Company, The Financial Post is informed. Production during May totalled 135,000 tons and during June 160,000 tons. July business, it is understood, is running well ahead of June.

The company is a consolidation of five sand and gravel companies, three of which have been operating for a number of years, the remaining two being put into operation this year.

Demand Is Seasonal

The management estimated that with a yearly production of 1,060,000 tons of stone and sand and 9,000 tons of stone dust, the earnings would be sufficient to pay the 7 per cent. dividend on the preferred and $2 per share on the no par value common shares, after full provision for depreciation, depletion and income tax.

Production during May and June is equal to nearly a third of the desired production. Records of the operating companies show that in the past, from May to November, there has been a steady demand for the products on account of the large amount of building and road work carried on during those months, and that the peak has been reached in July and August. On account of the seasonal demand for sand and gravel, production from November to the spring is much smaller, and therefore the output from May to November must be well in excess of 100,000 tons a month in order to reach the desired total. The production to date is averaging well and the management feel confident of reaching their objective.

Stock Now Listed

The preferred and common stocks of the company were listed recently and are selling at 88 and 11 respectively. The preferred carries a conversion privilege by which the holder may convert his shares into 2½ shares of common without par value for each preferred share held.

Nova Scotia L. and P. Puts on Customer Campaign

From Our Own Correspondent

MONTREAL. — Following the customer-ownership precedent already established by many public utility and power enterprises, the Nova Scotia Light and Power Company this week initiated its first customer-ownership campaign by offering in Halifax $750,000 of its 6 per cent. cumulative preference shares. The stock is being offered by the Royal Securities Corporation at $97 per share. Application will be made to list the issue on the Montreal Stock Exchange.

Ranking senior to the outstanding $750,000 in 6 per cent. cumulative preferred shares, the company has a first mortgage issue of $3,500,000. The common stock consists of 34,523 shares of no par value.

The depreciated value of the company's assets after deducting all prior charges is equal to more than two and one-half times the total preferred stock now outstanding. Earnings in 1927 were equivalent to more than two and three-quarter times the dividend requirements of the preferred stock.

Stouffville Markham Save Million Each

Two of the thriftiest communities in Canada are Stouffville and Markham. Although among the smallest towns where the Standard Bank operated branches, savings deposits were proportionately large.

The information is not available from official sources, but it is said on good authority that Stouffville and Markham branches exceeded $1,000,000 each in savings deposits. The highly prosperous condition of certain individual Standard Bank branches is believed to have been one of the big factors in inducing the Bank of Commerce to propose the merger on a share-for-share basis.

CAPITAL CHANGES IMPROVE POSITION CANADA FOUNDRIES

On Last Year's Earnings Company in Position To Pay Dividend

From Our Own Correspondent

MONTREAL.—Acceptance by the shareholders of the reorganization plan of the Canada Foundries and Forgings, considerably enhances the possibility of their receiving a return on their investment.

Earnings of the company this year are understood to be running well ahead of those for last year. In 1927 Canada Foundries reported $73,542, which would have been available for the new class "A" stock had it existed then. This is sufficient to take care of the proposed dividend of $1.50 on the class "A" stock.

This security is being given for the old 7 per cent. preferred, of which there were 9,600 shares outstanding, on the basis of four new shares for one old, or 38,400 shares of "A" stock. Payment of a $1.50 dividend, therefore, would require $57,600 a year, so that on the basis of last year's earnings there would have been a balance of $15,942. This is equivalent to $1.66 a share on the class "B" stock, which is being offered in exchange for the old common.

The "A" stock ranks equally with the "B" after $1.50 has been paid on the latter. The provision in the new plan does not mean that the same amount shall go to each "A" share but that the total available, after $1.50 each is paid, shall be divided into two equal amounts and distributed. As the number of "A" shares is four times "B," it follows that this additional disbursement, will be only one-fourth as much for each class "A" share, as for each class "B."

If the net profits for 1928, available for dividends, run as high as $90,000, there would be $57,600 of this required for "A" stock, leaving a balance of $32,500. Financial Counsel points out that for "B," at $1.50 a share, there would be required $14,400, leaving still a balance of $18,000, to divide between the two.

KELVINATOR CO. BEGINS TO SHOW MORE PROGRESS

Price of Refrigeration Unit Said to Give More Profit

Kelvinator Company of Canada is reported to be doing much better this year than last, when a deficit of $175,000 in operating income was incurred. The Canadian company now is reported to be earning its preferred dividend of $56,000 annually.

Improvement in the position of the Canadian company is a reflection of the improvement in Detroit, where the new management has been able to reduce expenses while at the same time increasing sales. Prices of the retailed products are reported to be more satisfactory now than a year ago. Kelvinator and General Motors, through Frigidaire, are the two largest companies in the business, controlling perhaps 90 per cent. of the total on this continent.

Kelvinator of Canada controls the export business of the parent company, getting credit for profits even when the units are shipped direct from Detroit. In the last season, this company has procured a larger proportion of apartment-house business than heretofore, and the fact that few apartments are being built without electrical refrigerator installed is indicative of the future of this branch of the business.

Stock Sells Higher

Kelvinator of Canada preferred is currently selling around 85, where it gives a yield of better than 8 per cent. The recent price is an increase from the year's low of 65. The dividends are not in arrears, although one quarter's dividends last year were paid by the parent company. The parent company unconditionally guarantees the dividends on the Canadian preferred.

The common stock has been selling recently at 8½. The low for the year was 5 and the high 12¾. The preferred outstanding is $800,000, 7 per cent. cumulative, and the common total 80,000 shares of no-par value, of which a majority is held by the parent company.

Ask G. T. R. Stockholders Finance Further Protest

An issue at par of 850,000 Ordinary shares of 1s. each in Grand Trunk Junior Stocks, Limited, is being made to junior stockholders in England, in the Grand Trunk Railway Company of Canada in proportion to their holdings on a new basis of valuation. In their appeal for the further funds the board state that, following the advice of eminent counsel, they claim that the Canadian legislation under which the Canadian National Railway Company acquired control of the Grand Trunk system in Canada and America was beyond the power of the Dominion Government, and that the transfer of stocks to the Canadian Finance Minister was never legally sanctioned. The board are advised that legal action is essential to secure the junior stockholders' "rights," and as about one-fifth of the Grand Trunk system is in the United States of America, it may become necessary to take action in the American Courts, as well as in Canada, where steps are already being taken with a view to presenting a petition of right.

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News of Investment Markets

RECORD NUMBER OF BONDS CALLED FOR REDEMPTION

Peak of Refunding Now Appears to Have Been Reached

From Our Own Correspondent

MONTREAL.—Between now and the end of the year thirty-one Canadian corporate bond issues have been called for redemption before their maturity date. Undoubtedly there are a number of others that are on the verge of being called or being considered for redemption of which no official notice has been issued. It is reasonable to assume, however, that in the balance of the year at least fifty issues will be redeemed.

An examination of those issues already called for redemption shows that the majority are high yielding bonds; many carrying a seven per cent. coupon, though 6½ per cent. is more common.

In the majority of instances refunding operations have been carried out. Some of the companies have been amalgamated or bought out and their funded debt absorbed by the new owners.

Refinancing Saves Money

Where refinancing has been carried out, a considerable saving in interest charges has been effected. Public utility bond rates, for instance, have been appreciably lowered. Most of the utility bond issues placed on the market in the past year have carried a coupon rate of 5 per cent.; and in one or two cases have been sold to the public at less than five per cent.

Industrials of the better class have also been able to cut their rate; the average now being around 5½ per cent. Massey-Harris was able to put out an issue carrying a five per cent. coupon, but this was an exceptional case. Even the less sound and tried-out industrial companies have been able to borrow from the public at six per cent.

Real Estate Rates Lower

One of the most marked changes in corporate financing by bonds is to be seen in the real estate field. While it is still a comparatively new type of financing, public investment has grown to large proportions. At the beginning of last year, it was common for a real estate bond issue to carry a 7 and even a 7½ per cent. coupon.

Financing of real estate enterprises in recent months, however, has been carried out along sounder lines, and rates have been substantially lowered. Six to six and a half per cent. is considered a good yield on a real estate bond nowadays, and only last week the Dominion Square Corporation brought out an issue of bonds, amounting in value to $5,000,000, carrying a six per cent. rate and offered to the public at par.

A notable feature of this issue was the statement of the actual investment in this enterprise.

There have been many signs in the past month or two to indicate that the recent heavy flood of refinancing by corporations is abating. The majority of public companies have taken advantage of the cheap money situation to retire their high interest bearing funded debt, contracted during and before the war, at much lower rates.

HOTEL GENOSHA BONDS ARE OFFERED

Serial First Mortgage Issue Includes Some Baby Bonds

An offering of first mortgage bonds of Oshawa's new hotel is being made this week through a Toronto investment house.

The new hotel has been named Hotel Genosha, the combined name taking cognizance of the chief industry of the City, and General Motors automobile plants.

The bonds are being offered at par in denominations from $50 to $1,000.

Particulars of the issue are as follows

$325,000
Hotel Genosha, Oshawa
6½% First Mortgage Serial Gold Bonds
Dated July 5, 1928 Serial, 1-10 years

Company—Hotel Genosha will be six-story new steel, concrete and brick structure, on the main street of Oshawa, Ontario, on the Montreal-Detroit Highway, and adjacent to General Motors plants. Will provide restaurant service and assembly rooms for conventions in addition to up-to-date moderate-priced hotel accommodation.

Security—A first mortgage upon all hotel property.

Earnings—Estimated at more than 3 times bond interest.

Offer—By United Bond Co. of Toronto and Windsor at par and accrued interest.

New Financing Carried Out By Western Hardware Firm

The Vancouver office of A. E. Ames and Company, of Toronto, is making an offering this week of $467,500 of 6½ per cent. cumulative first preferred stock of McLennan, McFeely and Prior, at 96 to provide a yield of 6.75 per cent.

This financing is the result of a consolidation of two wholesale hardware firms, McLennan, McFeely and Company, of Vancouver, and E. G. Prior and Company, of Victoria. The former was established in 1886 and the latter in 1859.

The new firm will continue as wholesalers of general hardware. Capitalization will consist of $1,200,000 of preferred (this issue); $568,800 of 6½ per cent. cumulative second preferred, and $56,884 of common stock of $1 par value.

Earnings of the combined companies, after depreciation and income taxes, have averaged 12.41 per cent. on the first preferred shares during the past five years. For 1927, dividends were earned more than two times over. Net current assets amount to $1,597,205 and total assets $3,538,879.

SEEK METHODS PUT NEWSPRINT GROUP ON FEET

Ontario and Quebec Confer on Establishment of New System

From Our Own Correspondent

MONTREAL. — Several conferences and negotiations have taken place during the past few weeks between the governments of Quebec and Ontario, with a view to determining some suitable policy by which over-production in the newsprint industry can be overcome.

The negotiations, according to Hon. William Finlayson, who has been acting for Ontario, are primarily to stabilize the industry and full consideration will be given in regard to employment of labor and purchase of pulpwood from settlers.

It will be remembered that about a year ago the Quebec Government announced that it would not make any further leases of timber limits to companies that were not already established in the province. At the time Ontario did not see fit to make a similar pronouncement for the timber limits under its jurisdiction.

While the action of Quebec was a step in the right direction, yet it was not sufficient as will be seen by the fact that in the past twelve months a number of new newsprint machines were brought into operation.

But developments in Ontario have been greater. At the head of the lakes, Kapuskasing and other points new plants were established with high rated capacity, thus further complicating the problem of holding down production.

If the two provinces can come to a satisfactory agreement on the development of their respective timber resources by the pulp and paper companies, the problem of bringing over production to an end would be considerably easier to solve.

Some concession will undoubtedly have to be made by one province or the other. While negotiations are proceeding "satisfactorily" there are undoubtedly a number of points that have to be ironed out before the two provinces can reach a mutual agreement in laying down regulations designed to restrict output of newsprint.

Bond Notices

MONTREAL.—St. Maurice Power Company is redeeming its first mortgage 30-year 6½ per cent. bonds and also an issue of £200,000 first mortgage, 30-year, 6½ per cent. debentures stock, dated February 27, 1923, on August 1, 1928, at 107½ per cent. Payment will be made at the principal offices of the Royal Bank of Canada, Montreal or Toronto, or at the bank of the Manhattan Company, New York City. The debenture stock will be redeemed at the office of the Royal Bank of Canada, London, England.

On September 1 next the St. Maurice Paper Mills Ltd. will redeem its 6 per cent. 20-year first mortgage, series "A", sinking fund bonds at 105. Payment to be made at the principal office of the Bank of Montreal in Montreal, Toronto, Winnipeg, Vancouver, Halifax or Three Rivers or in London, England, or at the Agency of the Bank of Montreal in New York City.

All of the series "B" 20-year first mortgage bonds of the St. Maurice Paper Mills Ltd. will be redeemed on September 1, 1928, at 105, payment to be made at the Bank of Montreal in the cities outlined in the trust deed.

Brompton Pulp and Paper Co. will redeem its first and refunding 6 per cent. mortgage bonds, series "A" on Sept. 1 next, at 105, payment to be made at the office of the Quebec Savings and Trust Co., Montreal.

The first mortgage serial gold bonds, Series "A" 6½ per cent., of the Manitoba Paper Co. will be retired on Oct. 1, next, at 105 per cent., payable at the office of the First National Bank, Chicago, the Farmers Loan and Trust Co., New York City, and the office of the trustee at Montreal, or at any of the principal offices of the Royal Bank of Canada in Montreal, Toronto, or Winnipeg.

On Sept. 15 next, Abitibi Power and Paper Company will retire its 6 per cent. gold coupon notes dated March 15, 1927, at 105. Payment will be made at the office of the trustee in Montreal or at any branch of the Royal Bank of Canada in Canada or the First National Bank, Chicago, or at the Bonded Loan and Trust Co. in New York City or at the office of the Royal Bank of Canada in London, England.

Both the first mortgage 20-year 6½ per cent. sinking fund bonds, series "A," and the 6½ per cent. ten year mortgage debentures of the Ste. Anne Paper Co. will be redeemed on Sept. 1 next, the former at 104½ and the latter at 104. Payment will be made at the office of the trustee in Montreal or at the office of the Royal Bank of Canada in Montreal, Toronto, Halifax, Saint John, Winnipeg, Edmonton, Regina, or Vancouver or at the First National Bank, Chicago, or at the office of the Farmers' Loan and Trust Co., in New York City.

BOND REDEMPTIONS

	Rate	Due	Redeem.	Price
Abitibi Fibre	6%	1928	Aug. 1	104½
St. Law. Paper Mills				
A & B, 20-yr.	6%	1928	Sept. 1	105
10-yr. debs.	6½%	1929	Jan. 2	102
St. Francis W. P. Co.	7%	1930	Aug. 1	102
Que. J-C Electric	5%	1931	Aug. 1	110
N. Bawlf Grain	6½%	1939	Sept. 1	105
Que. R. L. H. & P.	5%	1939	Dec. 1	105
Beauharnois Elec.	5%	1942	Sept. 1	105
Can. Gyp. & Alb.	6½%	1943	Aug. 1	105
Brompton P. & P.	6%	1946	Sept. 1	105
N. S. Trams "A"	7%	1952	Oct. 1	110
St. Maur. Power	6½%	1953	Aug. 1	107½
Annex Realty Corp.	7%	Serial	Sept. 1	105
Canada Vinegars	6½%	1945	Dec. 1	105
Drummond Invest.	6½%	1938	Nov. 1	105
Mercury Mills	6½%	1942	Nov. 15	105
Murray Bay Paper	6½%	1947	Oct. 1	105
Bawlf Grain Co.	6%	....	Dec. 1	100½
Annex Realty	7%	Serial	Sept. 15	105
347 Bay St.	7%	1940	Sept. 1	103
Fam. Players	6½	1943	Aug. 1	105
Howard Smith	6%	1934	Dec. 1	105
Howard Smith	7%	1941	July 2	105
Guelph Carpet	6%	1941	Sept. 1	105
P. Lyall	6%	1932	Sept. 1	105
Man. Paper	6½%	1946	Oct. 1	105
Ottawa Hull Pwr.	6%	1948	Aug. 1	105
Quebec J.C. Electric	5%	1931	Aug. 1	110
St. Anne Paper	6½%	1946	Sept. 1	104½
St. Anne Paper	6½%	1936	Sept. 1	104
Abitibi Power	6%	1931	Sept. 15	101½

Crown Cork and Seal Common Stock Offered

From Our Own Correspondent

MONTREAL.—An additional offering of 78,000 shares of the Crown Cork and Seal Company is being offered to the public through Paine, Webber and Co., in the United States, and Greenshields and Co., in Canada.

This company was organized in Canada seven years ago. Early this year it acquired the assets and business of the Canadian Bond Crown Company of Montreal and the Dominion Crown Cork Company, of Toronto, and is now the largest and principal manufacturer and distributor of crowns in Canada.

Details of the issue follow:

78,000 Shares
Crown Cork and Seal Company

Business—Manufacturers of crowns, with plants in Montreal and Toronto. Largest Canadian company in the business.

Purpose of Issue—For corporate expenses and to defray costs of constructing new plant in Toronto with an initial capacity of 7,500,000 gross of crowns per annum. Company also has entered into a ten-year contract with the Crown Cork and Seal Company of Baltimore for the purchase of both natural and composition cork discs.

Capital—	Authorized shares	Issued shares
Common stock, no par value	200,000	200,000

Earnings—Combined net sales of Canadian Bond Crown Company and Dominion Crown Cork Company for 1927 amounted to $1,925,612; net profits, $104,518. Net profits for the first four months of 1928 are approximately 50 per cent. in excess of the corresponding period of 1927.

Assets—Combined net tangible assets as of March 31, 1928, amounted to $793,341.

Management—Will be in hands of men long connected with company.

Listing—It is the intention to make application for listing on the Montreal Stock Exchange.

Offer—Paine, Webber & Co., and Greenshields & Co., at 16.

Royal Securities Open Branch

From Our Own Correspondent

MONTREAL.—The Royal Securities has opened a branch office in Three Rivers under the management of C. F. Charbonneau, who has been associated with the Canada Life Assurance Company in Three Rivers for twelve years. For the past nine years it has managed that company's branch office in Three Rivers.

MARKET ACTIVITY SLOW FOR BONDS IN ALL CLASSES

Prices Firm, However, Despite Vagaries of Money Market

From Our Own Correspondent

MONTREAL.—There is comparatively little activity in the bond market at the moment, but prices are reasonably strong notwithstanding the varying conditions in the money market.

Last year at this time there was a veritable flood of new financing, but this year comparatively few offerings are coming on the market. Consequently the market has had plenty of time to thoroughly absorb the numerous issues of the past year.

One reason given for the comparatively healthy market at present is the distribution of large sums on account of bond redemptions. A number of corporate issues that appeared earlier in the year were for refunding purposes and in many cases, the bonds that were to be retired were callable only on interest dates.

The first of July is one of the important interest dates and as a result, a considerable number of issues were paid off early in the present month and the funds commenced to seek re-investment. This, combined with the usual July payment, has had the effect of giving the bond market a firm tone.

It is noticeable that the local market has not fluctuated with the constant rises and falls in money rates in New York, nor has it been affected by the dullness in the United States bond market. Bond prices in New York have been rather on the weak side, but this appears to have had the effect of discouraging new issues and dealers are taking the opportunity of endeavoring to distribute the undigested portions of issues that have been offered during the last few weeks. Unlike the Canadian market, there is understood to be a substantial amount of undigested bonds in the hands of American dealers, but if the present lower level of new offerings continues, these unsold balances may be disposed of without further affecting the situation.

On the whole, while an active summer is not anticipated by the bond fraternity either in Canada or United States, neither is it expected that a really weak market will develop and if the present situation remains unchanged until the end of August, it is felt that the beginning of September should bring about a strong situation.

BITUMELS PAVING NOW OFFERS STOCK

Brantford Company Owns Rights on Emulsified Asphalt

Stock is being offered privately in Bitumels of Canada, Ltd., with head offices at Brantford. The 1,000 seven per cent. cumulative preferred of $100 par value is being sold at par with a bonus of one-half share of no-par common. In addition, 1,000 shares of common have been allotted C. L. Hervey, a Montreal engineer, who transfers to the company his interest in an agreement with Bitumen Emulsions, Ltd., of London, Eng. E. T. Sterne, of Brantford, is president and the other directors besides Mr. Harvey are C. C. Drew, of Montreal, and M. M. Dillon, of London, Ont.

The company will own the Canadian rights for a paving material the base of which is asphalt. It is stated that the other ingredients and the treatment make the material better for road purposes on account of cheapness, durability and absence of certain disadvantages in the use and application of other asphalts.

Commercial Apple Crop Shows Promise This Year

From Our Own Correspondent

MONTREAL.—Forecast is made by the Federal Department of Agriculture of a 12 per cent. better commercial apple crop this year than last. The estimate is 3,157,360 barrels, as compared with 2,810,600 last year, and an average of 3,105,800 for the five year period 1922-27.

This increase reflects a heavy crop in British Columbia, but all eastern districts report a heavy June drop and reduced yields. Early apple varieties such as Duchess and Wealthy promise to be good crops in British Columbia, Ontario and Quebec.

The estimated yield in barrels for this year, as compared with last year follows:

	1928	1927
B. C.	1,483,200	1,079,500
Ontario	664,210	673,500
Quebec	101,000	104,600
N. Brunswick	22,400	28,000
Nova Scotia	886,550	925,500

Tenders and By-laws

Aug. 1.—School Commission of Richmond, P.Q.—$60,000, 5% serial debentures. P. J. Girard, sec.-treas.

Aug. 15.—Municipality of Waltham and Bryson, P.Q.—$19,122, 5%, serial bonds. A. Carroll, sec.-treas.

July 26.—School Commission of Shawinigan Falls, P. Q.—$150,000, 4½%, serial bonds. J. O. S. Brunet, sec.-treas.

SASKATCHEWAN
Authorizations Granted by the Local Government Board from July 7 to July 14, 1928

Schools—Union Jack, No. 1906, $3,500; Prince of Wales, No. 2719, $3,500; Creekview, No. 652, $3,000; Alkerton, No. 142, $1,500; Yankee Ridge, No. 1377, $4,800; Moose Mountain, No. 162, $3,500; Pleasant, No. 571, $1,000; Sprayville, No. 1620, $4,000.

Rural Telephones—St. Alexis, $7,800; Titanic, $500; North Hazenmore, $1,000; Pinto Creek, $1,000; Myren, $2,900; Winton Park, $2,000.

Debentures Reported Sold

Golden Rod S. D. No. 1757, $3,500, 15-yrs., 5½%, Prince Albert Sinking Funds; Mooney S. D., No. 1039, $2,000, 10-yrs., 5¾%, Houston, Willoughby & Co.; Kinbrae S. D., No. 73, $4,500, 15-yrs., 5¼%, Regina P. S. Sinking Funds; Scandia S. D., No. 676, $4,300, 10-yrs., 5k, J. Johanson ,Stockholm; Chester, R. M., No. 125, $6,000, 10-yrs., 5¼%, Regina P. S. Sinking Funds.

TWO B. C. FIRMS IN LATEST MERGER

One Firm Established Nearly Three-quarters of a Century

Resulting from the merger of two old-established British Columbia agency businesses, there is being offered this week in Victoria and Vancouver an issue of preferred shares of McLennan, McFeely & Prior Limited.

One of the two companies combining dates its origin back to 1859 and the other to 1886. They carry on businesses as wholesalers of general hardware, mill, mine and logging supplies, sporting goods, radios, automobile accessories, etc., and have been in successful operation for several decades. Recent capital expenditures make it advisable to finance further at this time.

Particulars of the issue are as follows:

$467,500
McLennan, McFeely & Prior Limited
6½% Cumulative First Preferred Stock
Par Value $100 per share

Capital—	Authorized	Issued
6½% cum. 1st pref. stock	$2,000,000	$1,200,000
6½% cum. 2nd pref. stock	2,000,000	568,800
Common stock ($1.00 par value)	1,000,000	56,884

Company—Is a consolidation of McLennan, McFeely & Co., Ltd., Vancouver, established in 1886, and E. G. Prior Limited, Liability, Victoria, established in 1859. Will carry on business as wholesalers of general hardware, contractors supplies, sporting goods, radios, etc.

Assets — Total net assets valued at $2,123,346.

Earnings—In 1927, earnings after all charges were $158,228, and average for five years equals 12.41 per cent. or nearly double first preferred dividend requirements.

Management—Continues under executives who have long controlled the constituent companies' policies.

Offer—By A. E. Ames & Co. at 96¼ and accrued dividend. Yielding 6¾ per cent.

Offering Units in Second Diversified Stand. Securities

From Our Own Correspondent

MONTREAL.—A public offering is being made by F. J. Fairhall and Associates, Ltd., of 80,000 shares of 7 per cent. cumulative redeemable stock ($25 par value) and 80,000 shares Class "A" common stock (no par value) of Second Diversified Standard Securities, Limited. The preferred stock is being offered at $25.50, while the Class "A" common is offered along with preferred in the form of a bonus.

Second Diversified Standard Securities Ltd., formed recently as an investment trust, will operate along similar lines to the original trust formed a year ago. Securities purchased by the trust will consist solely of issues representative of Standard Oil and subsidiary corporations, the by-laws providing that not more than 10 per cent. of purchases will be invested in any individual stock. The wide field for investment offered by this group of stocks is indicated by the fact that around 80 different companies, operating in the United States, Canada, Mexico, Central and South America, and Europe are represented.

INTERNAT. PAPER FORMS COMPANY TO CONTROL BAGS

Old Continental to Disappear and Parent Owns All Stock

Continental Paper & Bag Mills, Inc., one of the two subsidiaries of International Paper which were not wholly owned, is to be dissolved and will be succeeded by Continental Paper & Bag Corp., which will be wholly owned by International Paper.

Continental Paper Products is the name of the Canadian subsidiary of this company, operating two plants. The United States company operates eleven plants and is the second largest manufacturer of paper bags and similar kraft products on this continent.

Losses Were Heavy

The company has not been doing well for years and International Paper had made cash advances totalling $7,000,000. In the current year steps were taken by International Paper to clear up this situation and, while the matter was in the courts at one stage, a reorganization has been effected which will permit the dissolution of the old bag company and the creation of a new company with a new management.

Bonds of the old company held by the public have been exchanged for preferred stock of International Paper. International Paper owned the entire $4,000,000 issue of 7 per cent. preferred stock, $1,781,500 of $2,500,000 of 6½ per cent. preferred and $1,910,400 of $3,750,000 of common. The original offer to holders of the 6½ per cent. bonds was 8¼ shares of International Paper preferred for each $1,000 bond and approximately 93 per cent. of these bonds were deposited. International Paper subsequently made an offer to minority shareholders of Continental 6 per cent. preferred and common, which was accepted and these stocks will disappear in the reorganization.

Net loss of Continental Paper was $535,689 in 1927, $1,358,301 in 1926, and $1,356,246 in 1925. In addition to cash advances, International Paper guaranteed bank loans of Continental to the amount of $1,745,-

Appoint New Manager For Jas. A. Ogilvy's, Ltd.

From Our Own Correspondent

MONTREAL.—J. L. Morrell has been appointed manager of James A. Ogilvy's, Limited, department store in Montreal, recently acquired by A. J. Nesbitt, of Nesbitt & Thomson.

Mr. Morrell has had a very wide departmental store experience, having been connected with Henry Morgan & Co. Ltd., and the Hudson Bay Co.

Ogilvy's was bought by A. J. Nesbitt as a personal investment and it is understood that he is spending about $1,000,000 on the store in extensions, etc., and proposes developing it into a high class departmental store.

Guaranty Savings & Loan Grows in Vancouver

The growth of the Guaranty Savings & Loan Association, Vancouver, is reported as highly satisfactory by George S. Harrison, managing director. The association started in a small way about three years ago and has in a short time taken its place among the leading financial institutions of the city.

At the recent meeting of the association the following board was elected:

W. C. Shelly, president; W. C. Ditmars, vice-president; Geo. S. Harrison, managing director; John M. Allen, manager, and Fred Crone, Newton J. Ker, M. H. Leggat, Geo. A. Walkem and W. S. Burley are members of the board.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Saskatchewan Schs.	July	Various	...	....	$20,300	...	...
City and County of St. John	July	Royal Securities Corp.	4½%	30-yr.	16,000	99	4.56
Vermilion, Alta.	July	W. Ross Alger Corp.	5½%	....	33,000	101	...
Ville Marie, Que.	July	Locally	5½%	20-yr. ser.	10,000	100	...

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Bond Issues—							
Rolland Paper Co.	July	Royal Securities Corp.	5½%	1948	$2,500,000	97½	5.7
Stock Issues—							
David & Frere	July	Rene T. Leclerc and Leclerc, Forget & Co. (With a bonus of 2 class "B" shares for every 5 shares of "A")	Com. "A" N.P.		23,000 shs.	$35	...
T. E. Bissell Co.	July	S. R. Mackellar & Co.	7%	Pref.	$250,000	$100	7%
Great Western Airways	July	G. G. Tull & Ardern (With bonus of one share of common with each share pref.)	7%	Pref.	50,000	...	...
Crown Cork & Seal Co.	July	Paine, Webber & Co., and Greenshields & Co.	...	....	78,000 shs.	...	...
McLennan, McFeely & Prior	July	A. E. Ames & Co.	6½%	Pref.	$467,500	96¼	6¾

SOUND BONDS

Attractive New Issues

DOMINION SQUARE CORPORATION. First (closed) Mortgage Sinking Fund 6% Gold Bonds. Due 1948. Payable throughout Canada and in New York. *Price:* 100.00 to yield 6%.

ABITIBI POWER & PAPER COMPANY, LIMITED. First Mortgage 5% Gold Bonds. Due 1953. Payable throughout Canada, and in London, Chicago and New York. *Price:* 94½ to yield 5.40%.

Offered subject to prior sale and change in price. Complete information will be provided on request.

The National City Company
Limited
Head Office—St. James and St. Peter Streets—Montreal
10 King Street East TORONTO
204 Blackburn Building OTTAWA
71 St. Peter Street QUEBEC
334

New issue—

ROLLAND PAPER COMPANY LIMITED
5½ First Mortgage Sinking Fund Gold Bonds
Due June 1st, 1948 Denominations $1,000, $500
PRICE—97½ and interest, to yield over 5.70%

MATTHEWS & COMPANY
Limited
INVESTMENT BANKERS
255 Bay Street ELgin—5192 Toronto 2

NEW ISSUE

23,000 Common Shares
NO PAR VALUE—CLASS "A"

DAVID & FRÈRE, Limited

The Class "A" shares are entitled to non cumulative dividends at the rate of $2.25 a share per annum in each year in preference to dividends on the Class "B" shares for such year. Whenever in any year a dividend of $2.25 a share shall have been paid on the Class "A" shares, further dividends declared in such year shall be paid equally share for share on Class "A" and Class "B" shares alike, until the dividend on the Class "A" shares has been increased from $2.25 to $3.00 a share. All additional dividends declared in that year shall be paid on the Class "B" shares only. The Class "A" shares are callable as a whole or in part at any time on 30 days' written notice at $50 per share plus any dividends at the time of redemption declared but unpaid.

Voluntary liquidation of the Company cannot take place before all Class "A" shares have been previously called for redemption and the redemption price paid or set aside for payment.

Class "A" shares carry no voting rights save and except in respect of any increase of the authorized amount of Class "A" shares, the issue of any shares ranking in priority or pari passu with the Class "A" shares or any modifications of the rights, privileges or priorities of Class "A" shares or the sale en bloc of the whole concern of the Company. For any of these corporate acts, it will be necessary to obtain the approval of at least the two-thirds of the holders of such Class "A" shares present or represented at a meeting called for the purpose and at which meeting shall be present personally or by proxy a majority of these shareholders.

Quarterly dividends payable on the 15th of September, December, March and June in each year.

Transfer Agent: General Trust of Canada, Montreal.
Registrar: The Sun Trust Company, Limited, Montreal.

CAPITALIZATION
(Upon completion of present financing)
23,000 Common Shares (no par value) Class "A"
23,000 Common Shares (no par value) Class "B"

THE COMPANY: David & Frère, Limited has been incorporated under the laws of the Province of Quebec to acquire the entire business and assets of the David & Frère Company, established in 1905. Their beginning was very modest but due to skillful and attentive management, the business has developed rapidly and the company is now one of the leading biscuit manufacturers in Canada.

MANAGEMENT: The competent men who took the initiative of organizing and then directing the industry over a period of years to its present high state of efficiency, remain with the new Company. Messrs. Arsène and Raymond David, former owners, shall become Directors of the new Company and Mr. J. H. Bouvier, former General-Manager, shall become President and General-Manager.

PLANT: The present plant, located on Champlain Street, was built in 1922. It is thoroughly modern in construction and equipped with the best heating, ventilating and fire protection systems. Every mechanical time and labour saving device which will increase production has been installed. Among these are dough mixers, spreaders and cutters; automatic ovens with temperature and time controls; specially designed automatic kettles for cooking chocolate cream; constant temperature cupboards; culling conveyors, etc.

ASSETS: Upon completion of the present financing, total assets as reported by Messrs. LaRue & Trudel, Chartered Accountants, will show a book value of $850,000 after depreciation; the working capital being $150,000. The Company has neither funded indebtness nor bank debit; all income will therefore be applicable to the Common Shares of the Company.

SALES: As reported by Messrs. LaRue & Trudel, total sales of Messrs. David & Frère for the past five years are as follows:—

For year ending December 31, 1923	$513,386.14
For year ending December 31, 1924	587,794.62
For year ending December 31, 1925	659,926.44
For year ending December 31, 1926	706,727.96
For year ending December 31, 1927	815,712.40

EARNINGS: Messrs. LaRue & Trudel, Chartered Accountants, report average net earnings after depreciation of Messrs. David & Frère (old Company) for the three years ended December 31, 1927, to be $99,476. After deducting a dividend of $2.25 per Class "A" share, there remains a surplus of $47,726 available for the Class "A" and Class "B" shares. The net income for 1927 was $105,066 which, after deducting the dividend of $2.25 on the Class "A" shares, leaves a surplus of $53,316 available for dividends on the Class "A" and Class "B" shares.

DIVIDENDS: Since the plant is operating at full capacity and profit is at least equal to that of previous years, the Directors of the Company feel justified in placing the Class "A" shares on a $2.25 dividend basis. This dividend of $2.25 will give a yield of 6.42%.

We offer these shares as, if and when issued and received by us, and subject to the approval of all proceedings by our Counsel, Messrs. Beaulieu, Gouin, Marin & Mercier, at the price of:—

$35.00 per Class "A" share and accrued dividend

with a bonus of two Class "B" shares per each five Class "A" shares purchased.

Fractional "B" shares will be adjusted through purchase by us at the rate of $12.00 per share.

Application will be made in proper time to list these shares on the Montreal Curb Market.

Certificates will be available for delivery on or about July 20th, 1928.

René-T. Leclerc Inc.
MONTREAL — QUEBEC

Leclerc, Forget & Co.
MONTREAL

Statements contained in this advertisement are not guaranteed but are based upon information which we believe to be reliable and upon which we acted in purchasing these securities.

July 16, 1928.

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THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Managing Editor—FLOYD S. CHALMERS

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MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; Rielle Thomson, Eastern Editor. WINNIPEG, 810 Confederation Life Bldg. NEW YORK, 556 Graybar Bldg., 420 Lexington Ave., CHICAGO, Room 1908, 360 N. Michigan Blvd. GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 65-66 Chancery Lane, W.C. 2, E. J. Dodd, Director.

TORONTO, JULY 13, 1928

OUT OF JOINT

FARMERS' governments in this country are perhaps expected to be somewhat radical in their tendencies, and the Conservative party is ordinarily expected to have tendencies in accordance with its name. To some people therefore the present situation in Manitoba will be a matter of surprise, to find Mr. Bracken, the head of the farmers' government, in favor of the development of a water power site by private enterprise, while Mr. Taylor, leader of the provincial Conservative party, comes out in favor of a policy of public ownership, making the claim that such a policy would result in cheaper farm power. One explanation doubtless lies in the fact that it is Mr. Bracken who is at present in the position of responsibility. He has gained a reputation for a clear-headed administration of public affairs since he became premier of Manitoba, and faced with the problem of choosing the proper solution of a particular question, he has had no difficulty in arriving at a business-like policy.

Mr. Taylor is head of one of the opposition parties, and consequently is under no compulsion to put his theories of public ownership immediately to the test. Indeed it is worth remarking that neither Mr. Taylor, or any of the other advocates of the Manitoba government going in for the development of hydro-electric power, are prepared to advocate such a step immediately. Rather they counsel delay, and the holding of a power site out of development until some time in the future when the province may be prepared to undertake such a burden.

In Mr. Taylor's argument in favor of public ownership he relies largely on the familiar claim that the government can raise money much more cheaply than a private company can, and consequently can produce cheaper power. The Financial Post has recently pointed out that a cheaper interest rate does not mean a lower interest cost, when there is extravagance in capital expenditure on a government enterprise.

Another aspect of the interest rate deserves attention. Increased government borrowing means a tendency to a higher rate on all a government's borrowing. There is always a certain amount of money available to governments at a low rate of interest from lenders who want the utmost possible margin of security and will be content with nothing less than government bonds. Some government bonds would continue to be bought if they yielded only three per cent., two per cent., or possibly one per cent. But when a government wants more money than is available at the lowest rates it must go into the market with a rate high enough to attract money that would otherwise go into industry. As the rate on government borrowings goes up the rate on industrial borrowings is forced still higher. Every one saw the process at work during the war. Every one saw borrowers who would have been glad to lend at low rates in return for government security getting high rates because the governments had to offer high rates to attract still more money.

Now every government in the world is trying to bring down the burden of its national debt. Two ways are open, short of repudiation, as practised by Russia, and revaluation of the currency which has taken place in many other states. One is paying off the debts. The other, within its limits much easier, much more effective and much quicker, is refunding the debt at a lower rate of interest. They work together, for every bit of debt that is extinguished makes it easier to bring down the interest rate on what is left. Already the total annual saving in Canada as the result of lower interest rates on government borrowings is immense.

But when governments invade the field of private enterprise, and give a government guarantee on money borrowed for industrial purposes, the tendency towards a falling interest rate is checked. The supply of government bonds is increased, and governments must again, as they did in the war, bid high enough on all their borrowings to attract some money on which rate is valued more than security.

THE ESSENTIAL TRUTH

THE Toronto Globe has only now discovered—via a western newspaper—that last March, Maxime Raymond, M.P., for Beauharnois, "exposed the greed" of the Montreal Light, Heat and Power Cons. and it seizes upon Mr. Raymond's comments as an occasion to repeat its oft-sounded charge that the poor power consumer in Montreal is soaked to make melons for the power company while Toronto people, under public ownership, enjoy "service at cost" with manifold concomitant advantages.

In making his address, Mr. Raymond was grinding a private axe and made no bones about it but nevertheless his charges and those of The Globe may be discussed for what they say rather than for why they were made.

True, shareholders of Montreal Light, Heat and Power have made good profits. But the public of Montreal does not grudge them one dollar of what they have earned because these profits have been earned at the same time that the Montreal consumer has been given power rates much lower than in Toronto or any other similar city. The average cost to the consumer of electric current per k.w.h. in Montreal last year was 1.38 cents while in Toronto it was 1.65 cents. This was the difference between "greedy" private ownership and philanthropic public ownership. How does The Globe explain that? And Toronto rates to domestic consumers are now to be increased at a rate that will make the comparison in favor of private ownership Montreal even more striking.

In Montreal, the domestic consumer gets 60-cycle power which is universally admitted by competent illuminating engineers to be the best for reading and similar purposes. The Hydro in Toronto forces its consumers to utilize 25-cycle power, which is hard on the eyes and entirely obsolescent in well-lighted communities.

BEST USE FOR IT

THERE is a rapidly growing group of societies, chambers and organizations, many of them as new as a soap bubble, calling on private business houses for contributions. Of course, some of them have a justifiable purpose and are also equipped with the managerial and secretarial ability to fulfill this purpose. But others are mere promotions put forward by individuals for the sale of their own particular product or service by applying charity or public service methods to the sale.

It would be impossible for the average business man to comply with all the demands of this nature that are made upon him and still have anything left over to carry on his business. The private business man finds it difficult to say "no" to every such request but he learns how to say it to most of them. It seems even more difficult for corporation executives to turn down such requests. But executives of corporations must always remember that they are trustees and not owners and they have no right to utilize shareholders' money for anything but a serious and worthwhile purpose.

Canadian business men who conserve their resources and put them to work in plant expansion, giving employment to larger numbers of workmen are doing the best thing that they can do for their country and are doing a great deal more than many of the fake and inefficient societies that nag at them for funds.

CASE FOR PUBLICITY

OTTAWA Traction Company's operating subsidiary has just been awarded a rate increase which should place the company on a satisfactory operating basis. Responding to the favorable decision, the shares of the company have moved upwards. But it is to be doubted whether Ottawa Traction's stock will ever reach a market figure commensurate with its investment possibilities as long as the management continues to withhold from the public the financial figures covering its operations.

True, Ottawa Traction publishes an annual report. But this report gives no idea of the financial position of the property or its earning power. The real financial facts are concealed. Ottawa Traction is a holding company only owning virtually all the shares of its operating subsidiary. The revenues of the holding company are simply dividends from the subsidiary which in turn are distributed to the shareholders of the parent company.

In not making public its financial figures, the Ottawa Traction Company is behind the times. There is hardly a public utility company in North America which does not now realize the need of taking the public and investors completely into their confidence by the complete publication of the financial data on their operations.

In keeping dark its operating figures, Ottawa Traction certainly cannot be doing anything to increase the prestige of the company with the users of tramways. In addition it is probably preventing shareholders from realizing on the market the full value of the stock. Moreover, if the shares of the company be selling at below their real value, future financing is going to be more costly which in turn has a definite adverse effect on the annual fixed charges of the company.

With the company now allowed to operate under fair tariffs, there appears to be no reason why the management should not decide to follow the modern trend and make public information which if withheld leads only to misunderstandings, not only with the shareholders, but with the public.

DIVIDENDS

ON THE question of paying dividends there are undoubtedly two schools of sharply divided views. There are those who favor paying out most of a company's earnings in dividends and those who favor paying out as small an amount as possible. It is not unfair to designate the generous dividend policy in industrial companies as following the usual British practice and the policy of keeping the dividend rate low as the American practice. In Canada, we have companies of both sorts. It is not uncommon for a brokers' letter or a column of financial gossip to recommend with bland inconsistence the stock of one company because the directors pursued a policy of "ploughing back" earnings, and the stock of another company because a generous dividend policy can be expected.

Someone remarked the other day that the Ford enterprises could never have been built up to their present size if there had been a large group of shareholders. Ford and his son, in recent years anyway, have only had to take out of the business what sufficed for their personal living expenses. Every dollar of profit over and above that small amount stayed in the business and in a very few years became a mighty pyramid of wealth. Had there been many shareholders, more extensive dividends would necessarily have been paid and the constant drain on the company's resources would have slowed up the growth of the company. The Ford business grew as rapidly as it did because it was virtually a one-man business; Ford and the business were practically synonymous. It was not so much the Ford Motor Company as Henry Ford, manufacturer of motor cars.

In a smaller way many Canadian companies have grown to large size because the directors have paid only moderate dividends, and have permitted profits to accumulate and provide funds for expansion, making constant borrowing unnecessary. Montreal Light, Heat and Power Cons., directed by Sir Herbert Holt, is probably the outstanding example of such a business. This is not an industrial, but rather a public utility company, assured of a steady yearly growth, but the example loses little force on that account.

The so-called Moore group of companies, on the other hand, comprising Wm. A. Rogers, American Sales Book, F. N. Burt Company and several others, are the outstanding examples of companies that always pay out a large proportion of profits in dividends. The policy has been successful, but would undoubtedly have been less successful were the companies less ably managed. In this case the reserve is provided by the management less than by dollars and cents invested in plant and bonds.

One cannot set any hard and fast rule as to what is the proper policy in regard to paying dividends. Generally speaking, however, directors should be as generous as possible in paying dividends after proper reserves have been built up. The larger the number of shareholders the greater will be the demand for this generous dividend policy.

On this continent directors, in declaring dividends, are restrained somewhat by the fact that the general public considers it as an indication of bad management when a company pays a smaller dividend in one year than it did in the last. Here again the British practice differs. Many large British companies pay small dividends during the year and wind up with a large final payment at the end of the company's fiscal year that may easily be much larger than all the smaller dividends put together. Mond Nickel Company, for instance, has just paid a four shilling final dividend, after paying out interim dividends of only one shilling, six pence. It is obvious that under a system of paying out as large a total dividend as the year's results warrant that the rate will fluctuate from year to year. But the British shareholder does not seem to worry.

It may be that the policy of conservatism in dividend payments on this continent, giving as it does stability in the annual payments, has led investors to expect dividends that never decline but only increase. But they would not take long to become educated to the British system of dividends that fluctuate with the earnings of the companies represented.

PROFITS AND PROFITS

THE largest chain of grocery stores in Canada earns a profit of less than four dollars per day per store. But shares of the company have sold at many times the original issue price. Thus it is that big business is able to perform many useful functions at a very small margin of profit and yet return handsome dividends to shareholders. Looking at the dividends and the stock melons, a hasty observer comes to the conclusion that the company is making inordinate profits. Such is not the case. This company makes considerably under three cents profit on each dollar of goods it sells. And this profit represents the cost of the capital used in the business.

The test of whether a company is making too great a profit is not whether or not it is making a large profit but whether or not it is making too large a percentage of profit on each dollar of goods that it sells.

EDITORIAL NOTES

IF THERE were an election this fall it would be fought on the question of bank mergers.

* * *

ONLY four Canadian banks have kept away from mergers in their life-time.

* * *

WHEN a financial leader of the calibre of John J. Raskob enters Smith's campaign, Hoover's commanding lead dwindles some.

* * *

FOUR banks have been started in Canada in the past twenty years. All of them failed, one before really opening its doors. The new Eastern Bank seems assured of better luck.

* * *

OF TWO brothers in the same business in Canada, one is reported to be worth $35,000,000 and the other $7,000,000. But when one gets up to those figures the extra $28,000,000 does not buy any additional personal enjoyment.

* * *

HERBERT N. CASSON, in the Wall Street Journal, says that for years artificial silk was a joke in the textile trade. Now it is a two billion dollar industry. Artificial silk is no joke to Cornwall or Drummondville, two cities flourishing because of rayon's entrance.

FOLKS and Finance

MINING and foreign trade have been two chief studies of Sydney H. Logan, who will now be called upon to handle an additional $100,000,000 of assets as a result of the Canadian Bank of Commerce, of which he is general manager, absorbing the Standard Bank of Canada.

Mr. Logan went through the mining boom in Cobalt as manager of the bank's branch there. In later years he organized the bank's foreign department and did considerable traveling around the world.

A "who's who" of Mr. Logan would read as follows:

Born: April 24, 1881, son of Mrs. William J. Logan, of Springhill, N.S. The late William J. Logan, deceased about thirty years, was a native of Milford, Hants County, and was many years ago engaged in the mercantile business at Shubenacadie.

Educated: At the Springhill Public and High Schools.

Entered the Halifax Banking Company at Springhill, N.S., in 1897. Three years later he was moved to New Glasgow as teller, and when the Halifax Banking Company was absorbed by The Canadian Bank of Commerce in 1903, he was moved to Wiarton, Ont., as accountant. When the Cobalt silver district was discovered and the bank opened in Cobalt in 1905 he was selected as manager and had charge of the bank's Northern Ontario business from 1905 to 1913. In 1913 he was sent to St. John's, Newfoundland, as manager, where he remained until 1917. The bank then organized a Foreign Department at Toronto and he was selected as supervisor, which position he held until 1923. The bank's foreign business necessitated considerable travelling and Mr. Logan visited Australia, New Zealand, The Philippines, Hawaiian Islands, China, Japan, South America, The United Kingdom and Continental Europe, which occupied a period of about three years. On his visit to China, Japan and South America he was accompanied by the late Sir Edmund Walker, then president of the bank. In March, 1923, Mr. Logan was selected as the bank's Senior Agent in New York City, which position he held until his appointment as general manager of the bank on January 12th, 1926.

Manitoba Resources Now Under Control of Local Government

But Just When Province Needs Him Most, Dr. Wallace Goes to Alberta to Run University

By Our Winnipeg Editor

WINNIPEG. — Congratulations are in order to Premiers King and Bracken, and to their respective governments on the settlement which has now been reached on the question of the natural resources of Manitoba. The country may be congratulated also, for a question, that has been in dispute for many years, and has engendered a good deal of bitterness, is now removed permanently from the field of controversy. Equally important is the fact that the remaining resources are to pass at once unto provincial control, and the Government of Manitoba is to take full responsibility for everything done in connection with them, pending, the time when the actual transfer can be effected by concurrent legislation at Ottawa and Winnipeg.

Not much in Manitoba in the way of agricultural lands remains to be transferred, but in recent years the resources of the province in timber and water power have become of great importance, while mineral developments have opened up enormous possibilities in Manitoba's north country. Effective policies for bringing these resources into satisfactory development can be worked out much more successfully at Winnipeg than at Ottawa, and the administration conducted to much better advantage by a government directly responsible to the people of Manitoba. The development of these resources, creation of necessary laws and regulations, and the building up of an efficient administration will doubtless be one of the major preoccupations of the Provincial Government for several years to come.

From the provincial standpoint it is to be regretted that just at the moment when the change becomes effective Manitoba is to lose the services of Dr. Wallace, who goes to Edmonton to become president of the University of Alberta. Dr. Wallace has shown a wide acquaintance with the geology of Northern Manitoba, and an intimate acquaintance with the problems of the prospector and the miner. By common consent he seemed to be proper man to put in charge of a new natural resources department for Manitoba.

Another professor whose name deserves mention is Dr. Chester Martin, of the Department of History, in the University of Manitoba. To a large extent he has prepared the case of the province, particularly in its constitutional and historical aspects. He has been insistent in upholding the claim that Manitoba was entitled to the natural resources of the province as from 1870, and that in any transfer of the remaining resources it is entitled to an accounting from the Dominion Government for its administration of these resources from that time to the present. That claim is now admitted completely by the Dominion Government, and a commission is to be appointed to determine what, if any financial adjustment is required to make it effective.

The personnel of the commission, Hon. W. F. A. Turgeon, of the Saskatchewan Court of Appeal, Hon. T. A. Crerar, president of United Grain Growers, Ltd., and Charles M. Bowman, chairman of the board of directors of the Mutual Life, gives general confidence.

Province May Gain Profit

The simplest duty of the commission will be to check the records of receipts and expenditures of the Dominion Government in respect to the period of nearly half a century in which it has administered the natural resources of Manitoba. If there has been a profit, it is conceded that it should go to the benefit of the province, but it is not thought likely that much of a profit will be found.

The question of homestead lands will require consideration. Is the province of Manitoba entitled to anything on account of lands given away free to settlers. Such a policy was doubtless followed for the "general good of the Dominion," but it was also for the good of the province, and was undoubtedly the policy that would have been followed for many years by the province had it been in control.

With much more confidence the representatives of the province will advance a claim before the commission for compensation with respect to railway land grants. Tens of thousands of acres of Crown lands in the province went to the railways as an inducement to build new lines. That such grants were made for the general good of the country and should not be a specific charge against the resources of the province, is part of the case of Manitoba. If the point is granted, at what price should the valuation be made? The valuation of a dollar an acre, at one time put upon western farm lands would hardly be acceptable, while current market values would be obviously much too high. Perhaps an attempt will be made to ascertain what the railways actually realized for land grants made within the province.

Forestall Religious Issue

The agreement announced at Ottawa appears to contain safeguards against the religious issue cropping up in connection with the school lands to be transferred. It is agreed that legislation will provide that transfer is to be effected subject to any trust now existing, and without prejudice to any interest other than that of the Crown in resources to be transferred.

The settlement of the Manitoba resources question is on a different basis than that which underlay the agreement reached between the Dominion Government and the Government of Alberta. Alberta, as a newer province, did not have so much faith in the historical and constitutional argument, and its right to ask the Dominion Government for any accounting with respect to resources alienated prior to the creation of the province was a matter of grave doubt. In addition, Alberta, believing in the great potential value of its resources, was correspondingly more anxious to lay hands on them as soon as possible, and was willing to make a compromise settlement to bring that about. Alberta's settlement was held up owing to the introduction at the last minute of the separate school issue with respect to school lands, but it is assumed that this has now been disposed of by court decision, and that the transfer can be effected at the next sessions of Parliament and the legislature. By that time the Manitoba question may be in shape for legislation.

No Settlement in Saskatchewan

It still remains for Saskatchewan to attempt the details of a settlement. Such a settlement, when arrived at, is not likely to agree exactly with either the Alberta or the Manitoba precedent. The value of her remaining resources, as sources of potential revenue, is in doubt, and the province will hesitate to sacrifice any present income from the Dominion subsidy in lieu of lands in return for them. On the other hand, Saskatchewan is in the same position as was Alberta, as a comparatively new province, with respect to the historical and constitutional claim. A compromise based on the permanent continuance of the present subsidy, and the transfer of remaining resources is likely to be sought.

When Tom Wood Pegged Standard Shares at 165

Now He Reaps Big Reward, For Commerce Deal Gives Him Handsome Profits on Stocks He Bought in 1923 and 1924

Last September The Financial Post told the story of how Thomas H. Wood, vice-president of the Standard Bank of Canada had personally pegged the stock of Standard Bank of Canada at around 165 at a time when the institution was generally considered to be in a shaky condition.

Mr. Wood now reaps a well deserved reward for the faith he showed in the institution with which his family name has been connected for many years. He is the largest shareholder on the books of the bank, having had over 1,500 shares in his name at the end of last year. These are worth nearly $450,000 at present prices of Canadian Bank of Commerce stock, and their value has increased by over $200,000 from the low figure at which he acquired many of them four and five years ago.

Mr. Wood was vice-president of the Standard Bank, and will be a director of the Canadian Bank of Commerce, which has taken over the smaller bank.

In August, 1923, the Standard Bank, always well directed by the members of its board, decided to take its medicine and to write every dollar of bad or doubtful debts off its books. It wrote its reserve down by $2,250,000, using $1,250,000 of this to wipe out bad loans and $1,000,000 to set up a contingent reserve. The bank had not been in the habit of piling up hidden reserves and when the adjustment period came, and losses, especially in Western Canada, piled up, the bank had to take its losses as openly as it had shown its profits in previous years. The move was thoroughly constructive, and was an evidence of honest stewardship by the directors. But nervous holders of bank shares thought otherwise. When this action was coupled with a cut in the dividend from 14 per cent. to 12 per cent. the stock began to fall, and in August, 1923, fell from a high of 206 to a low of 170. In subsequent months the shares showed further decline.

"Tom" Wood, vice-president of the bank, suggested to a group of shareholders that they quietly form a little pool to "peg" the stock somewhere around 165 and prevent the shares from going far below their real worth. They would pick up offerings at that figure and protect other shareholders from the effect of unnecessary selling. Mr. Wood could not get his fellow shareholders to put up the necessary money.

He decided to go it alone. His father had been a vice-president of the bank before him; he felt that ties of loyalty demanded of him that he stick by the bank and risk his own money in holding the shares firm in order that shareholders' confidence might not be further impaired. He bought many shares of stock. The shares did not fall below 159 and then only during a midsummer slump. During 1924 the turn came, and the advance has been steady ever since.

THOS. H. WOOD

Mr. Wood's courage and loyalty have been highly rewarded, for at the present market the shares he purchased show him a handsome profit. But his friends say that he "pegged" Standard Bank, alone and unaided, purely out of loyalty to the bank and the memory of his father, and without any thought of monetary reward.

"Stop Me If You've Heard This One"

Communistic propaganda teaches, if it teaches anything, that the poor can bring about the millenium if they act like the farmhand.

The boss farmer, in the middle of the afternoon found this farmhand lying under a tree, smoking a cigarette. "What ye doin' thar, Sam," said the farmer, "restin'?"

"Nope," said Sam, " not perzackly restin', for I hain't tired. I'm jest waitin' for the sun to go down, so's I kin quit work."

Doubts Capitalist-Farmer on Big Scale Will Come

Editorial in Fort William Times-Journal

The Financial Post, in a recent editorial, visualizes the commercialism of the business of farming, and the development of mechanical farming to the point where capital and machinery will supplant man-power, and make the human drift away from the farm of negligible importance.

This might be possible in a highly concentrated and specialized community. It might be that business genius and mechanical advancement would, in certain countries, oust the small farmer and concentrate the business of supplying food stuffs to the world in the hands of a small number of joint stock companies, whose shares would be handled about on the stock markets like any other industrials.

But the evidence of the past is against anything like that taking place. The condition in most new countries are not propitious, while the practice in highly developed agricultural countries indicates that smaller and not larger, farms are the ultimate development. Specialized individual effort seems to be the tendency of modern agriculture.

Few countries are so productive as France and Belgium. But the production is not done by large companies, but by the individual small holders. In no country is the ownership of a bit of land more jealously guarded than in France, while in Denmark the small holdings, intensively cultivated, make the monetary return per acre from our big Canadian farms, look like chicken feed in comparison.

Experience in Canada has been altogether against the large and extensively cultivated farm. When the wheat bonanza of the west was in its infancy, there were many experiments made in large farms. Those who recall the first development of wheat growing in the west will remember how widely was heralded the large-scale farm of Major Bell. It took only a few years for the big Bell farm to vanish and become divided into a number of smaller holdings. The Sanderson experiment, near Brandon, was similarly a failure, though in this case there was more to the failure than merely its magnitude.

In a new country like Canada, where the population is constantly pressing forward into the margin of the undeveloped fringe just beyond the cultivated areas, there would be not the slightest temptation for any large company to take hold of huge areas of virgin lands and do the spade-work necessary to bring it into cultivation. This spade-work is essentially the task of the individual pioneer. It is this pioneer, not the big stock company, upon whom we have to depend for the ultimate development of our agricultural resources to their full extent.

Whether the vision of The Financial Post of the gradual dispossession of those pioneers by the mechanical robots of huge financial corporations will ever come to pass is doubtful. The experience of the past, even in the most highly specialized farming countries, is against it.

The Post asks that the average large farmer should be given a selection of milking machines, tractors, cultivators, engines and agricultural automata. He will then become, no longer a farmer but an industrial executive. It seems to be the ideal to get farming nearer to mechanical perfection and farther away from the original peasantry. Consolidation is to be the next movement in agriculture and the farmer will be a creature, no longer attached to the soil, but moving in the courts of high finance.

This is a dream which, if it were capable of realization, might be the worst thing which ever happened to any country. Take away attachment to the soil, abolish the class which takes pride in land ownership, substitute for him the stock holder, whose clamor for dividends is his only connection with agriculture and you will be preparing for the downfall of the community. A certain proportion of the population with its roots in the soil is a necessity for the welfare of the state.

Hundreds of years ago it was said, and the truth has never been denied, that huge estates destroyed Rome. The dream of the vanishing small landholder and the vision of the mechanized countryside, if ever they were made a reality, would probably be the beginning of the end in our country.

"Dog Day"
Stock Market Bargains

The inactivity or "summer slump" in stocks and shares has carried down prices of several first class securities away below their present intrinsic worth—to say nothing of potential values. Among such stocks may be mentioned the Common shares of the Economic Investment Trust.

These shares are now selling at about $57 each. At this price we unhesitatingly recommend their accumulation from the standpoints of safety, yield and exceptional possibilities for appreciation in value.

We invite orders to buy at the market, and shall be pleased to forward a special bulletin concerning these shares to interested inquirers.

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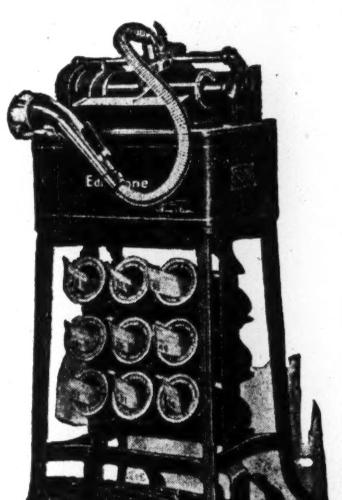

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Background of Business

Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

Credit Facilities Still Ample for Commercial Demands
Imports Continue to Feature External Trade Returns
Manufacturing Activity Well Maintained in All Lines
Wholesale and Retail Trade Better Than Last Year
Revenue Freight Loadings Reflect Prosperous State

MUCH attention has been paid to the credit situation in the past two months. The greatest interest undoubtedly has been centred around the stock markets. Speculation has grown to such proportions in the past year, that it has given rise to uneasiness on the part of bankers and others. When money rates, which had been fairly constant between four and five per cent., were rapidly advanced to a point where it was no longer profitable for the speculator to carry stocks on margin, the resulting liquidation relieved the situation.

At the moment, however, a large share of the banks' liquid resources are tied up in call loans to brokers The point to be considered is whether these loans are affecting credit to such an extent as to hamper business.

A survey of the bank statement for May does not reveal an unhealthy situation. Call loans are still higher than they have been for some years past. Unfortunately, it is not possible to determine what percentage is due to short term financing on account of new stock and bond issues or to speculation on the stock markets. The manner in which call loans have grown is more readily appreciated, however, by the fact that in the past two years they have increased 88 per cent., against an increase of only 30 per cent. in commercial loans on the one hand and of 13.6 per cent. in saving deposits on the other.

Commercial Loans Normal

Commercial loans also have shown a marked increase. When the very large volume of business is considered, it is not surprising. For May loans amounted to $1,207,000,000; the highest since 1921. This is more or less to be expected and the figures are not out of line.

In looking at the aggregate amounts of commercial and coal loans as reported by the Canadian banks, credit facilities appear to be strained. Worked out on a ratio basis, however, the situation is not adverse. According to figures compiled by Greenshields, the ratio of liquid and semi-liquid assets to public liabilities in May, 1928, was 51.6 per cent., as compared with 53.1 per cent. and 52.8 per cent. in 1927 and 1926, respectively. The ratio of savings deposits to commercial loans this year is 125.9 per cent., as against 135.9 per cent. in 1927, and 144.1 per cent. in 1926. Again the ratio of all Canadian deposits to principal loans plus investments last May was 105.7 per cent. This compares with 109.2 in May, 1927, and 110.5 per cent. in 1926.

Money Less Easy

For the balance of the year there will likely be a tightening up of loans. The banks will continue their policy of restricting the excessive use of credit until speculation has been considerably lowered. This appears to be the general opinion of brokers, investment bankers and others. There should be plenty of credit for business, however, as the banks are in good shape to take care of all ordinary needs.

Trade on the Increase

Apparently the needs of industry and the domestic consumer are greater than ever at the moment, judging by returns published by the Department of Trade and Commerce for June. During the three months ended last month, goods to the value of $302,766,451 entered the country. This is a considerable increase over the corresponding period of 1927, when imports were valued at $269,728.453.

Nearly one-third of the goods imported this year came in free of duty, thus indicating greater demand for products considered as essential to the further progress of Canadian industry.

Shipments of Canadian goods to other countries also show an increase. During June exports were valued at $107,121,091 and for the same month last year $105,678,453. In the three months ended June exports amounted to $284,117,730, as compared with $292,799,008. The late opening of navigation and lower values for a large list of agricultural products have affected the value of exports. Trade seems to be more active at present and exports for July and August are expected to show an increase over the corresponding months of last year.

Customs Revenue Up

A feature of the trade returns this year, has been the substantial increase in customs revenue. For the three months of the current fiscal year, $44,408,435 was collected, an increase of $4,736,366 over the collections of the corresponding three months of 1927. The total net revenues from customs, excise and sundry collections for the three months ended June last were $76,602,379, being an increase of $1,875,458. At the same time income tax receipts were up over $6,000,000.

The situation in regard to customs and excise revenues is much the same as last year, when the increases presaged a cut in income and other taxes. It is more than likely that further reductions will be made when Parliament reconvenes this fall.

The industrial situation appears to be steadily improving. The volume of iron and steel business so far has been in excess of that recorded for the same period last year. Prospects for additional business are very good. The big users of iron and steel have closed third quarter contracts at prevailing prices, which will ensure steady operations.

The automobile, construction and the primary iron and steel industries are handling a good volume of business. Orders on hand are larger than at the middle of last year and business in sight is up to expectations. The May report on automobile production, which created a new high record, was somewhat surprising, but the way plants are operating the aggregate output for the year will not fall far short of last year's production.

Construction activities also are greater than they have been for years past. With over $200,000,000 worth of business already let, there is every indication that the final figures will reach a total not far short of the record year 1913. Allied lines of activity, of course, are greatly benefitting from this activity.

Merchandise Sales Normal

The volume of merchandise being distributed, continues higher than last year. Wholesale trade is normal in most sections, with greater activity recorded in the Prairie Provinces, where conditions may be said to be exceedingly good. Inventories have been kept well in hand so that there are no large supplies on hand. The general expectation is that heavy orders will be placed for fall and winter delivery. Buying will probably be cautious, but it should be more extensive than last year.

Much the same conditions exist in the retail trade. The Maritimes and the central provinces report business normal. Consumption is higher on the Prairies owing to the prospects of a bumper crop and generally healthy conditions.

Revenue freight traffic on Canadian lines continues to reflect the activity of business. Although the holiday interfered with loadings during the week of July 7, it is interesting to note that the total is only slightly less than that recorded for the week of July 9 last year, which was free of holidays.

Up to July 7 of the current year, car loadings totaled 1,725,316. This compares with 1,630,677 and 1,544,471 for the same period in 1927 and 1926, respectively. As compared with last year loadings of grain and grain products, livestock, coke, pulp and paper, other forest products, ore, merchandise and miscellaneous show an increase, whilst coal, lumber and pulpwood record a decrease.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Latest This Year	Latest Last Year	Cumulative for Year This Year	Cumulative for Year Last Year
		Weekly		
Car Loadings (July 7)	60,248	61,510	1,725,316	1,630,677
Stock Index (Traders July 12)	397.3	174.0	......	......
C.P.R. Gross Earnings (July 7)	$ 3,971,000	$ 3,464,000	$ 98,951,000	$ 89,486,000
C.N.R. Gross Earnings (July 7)	$ 4,798,856	$ 4,272,602	$ 128,012,382	$ 118,901,286
Production		Monthly		
Pig Iron, tons (May)	87,811	78,987	370,634	334,276
Steel, tons (May)	117,655	96,711	531,808	427,370
Newsprint, cwt., (June)	192,391	170,379	1,163,366	996,462
Automobiles (May)	33,942	25,708	96,589	107,600
Boots and shoes, pr. (May)	1,504.102	1,480,003	7,680,685	7,372,268
Flour, bbls, (April)	1,304,000	1,154,000	5,964,000	5,335,000
Construction—				
Building Permits (May)	$ 27,497,189	$ 20,138,657	$ 78,977,291	$ 62,479,480
Contracts (June)	59,926,100	52,228,600	256,257,300	191,323,800
Labor—				
Employment Index (June)	122.4	107.2	....	....
Trade (May)				
Imports	$ 113,582,238	$ 94,412,439	$ 478,040,707	$ 432,839,535
Exports	$ 118,021,324	$ 108,782,591	$ 455,100,878	$ 454,353,961
Imports of Key Products—(May)				
Rubber, lbs.	4,883,395	5,644,000	26,767,610	27,652,355
Cotton	6,909,980	10,129,000	57,701,817	54,822,207
Sugar, cwt.	1,055,698	1,058,416	3,551,477	....
Petroleum, gal.	16,919,840	49,049,108	229,977,555	....
Coal, tons	1,332,833	1,471,836	8,069,938	....
Exports of Key Products—(May)				
Newsprint, cwt.	3,885,959	2,998,475	17,826,996	....
Automobiles, No.	4.511	3,901	15,924	....
Wheat, bush. (June)	21,959,638	15,863,044	112,829,833	105,130,539
Wheat flour, bbls.	716,013	846,700	4,887,235	4,617,670
Electric Power—Output—				
M. Kilowatt hours (May)	1,271,021	1,115,602	6,459,275	5,572,393
Population—				
Emigration (May)	4.498	5.259	23,700	26,775
Immigration (Apr.)	26,983	35,441	49,652	65,337
Finance—				
Failures, No. (May)	146	127	830	752
Failures, Liabilities (May)	$ 2,237,821	$ 2,235,675	$ 11,890,490	$ 11,920,951
Bank Debits (May)	$4,230,509,600	$2,986,235,659	$17,245,088,401	$13,138,481,883
Bond Sales (June)	$ 74,253,686	$ 79,686,404	$ 284,125,346	$ 281,982,268
Insurance Sales (May)	$ 49,581,000	$ 44,240,000	$ 227,613,000	$ 200,307,000
Wholesale Prices (1913-100)—				
General Index (June)	150.2	153.5	......	......
Iron	140.9	143.5	......	......
Cotton, raw	173.1	135.8	......	......
Grains	165.3	180.5	......	......
Cattle	156.0	130.1	......	......
Rubber	37.9	60.7	......	......

Agricultural Survey

Expect Good Wheat Yield
Cropp News Satisfactory
Eastern Situation Better
Dairy Products in Demand

EARLIER estimates of the crop acreage increase in Western Canada have been confirmed by the Dominion Bureau of Statistics survey. The fact that over 900,000 acres additional have been put into wheat this year gives rise to many interesting speculations on the extent of the Western Canadian wheat crop this year in view of the exceptionally favorable growing conditions as reported during the last two or three weeks.

Last year the wheat returns varied considerably in the different provinces. Alberta with its average yield of nearly 28 bushels to the acre, made a remarkable showing which offset the losses reported from Saskatchewan and Manitoba. Manitoba, of course, suffered severely from flood waters in the Red River valley resulting in a very substantial decline in the aggregate yield. Saskatchewan, on the other hand, reported a scarcity of moisture which, combined with damage from insects and hail, affected the wheat returns for that province.

Current Reports Good

Reports from the prairie provinces to date have been encouraging. The crop was put in earlier this year and an abundance of moisture during the latter part of May and June assures of sufficiency to last for several weeks yet. During the past week warm weather has been general all over these three provinces. This has brought the crops along and a large number of points report wheat headed out and that, generally speaking, the grain is more advanced than usual at this time of the year.

Marked improvement has taken place in the crop situation in Quebec and Ontario. Both of these provinces got away to a late start and the cold, wet weather during June affected germination. At present, however, grain crops in Quebec are promising. Hay is likely to be a heavy crop, as also is tobacco. A good average crop of fall wheat is expected in Ontario. Nearly all the spring grains have headed out and heavy crops are expected. Corn, which had been suffering from lack of warm weather, is now coming along nicely and should be a fairly good crop. Tobacco, fruits and other crops look promising.

The Maritime provinces report conditions as being very satisfactory. Practically all points report potatoes in good shape, especially in New Brunswick where their present condition is estimated as being the best in some years. The yield of hay will vary somewhat in the different districts, owing to a fair amount of winter killing on hay lands, but an average is nevertheless expected.

British Columbia seems to have suffered more than the other provinces from excessive rainfall.. Both the fruit and grain crops have been damaged somewhat, especially the former. Provided that there are no further rains, the loss from scabs on apples will probably not be as serious as at first anticipated. Despite the setback, however, it is estimated that the yield of apples will be better than average.. Small fruits will be below normal.

There has been little change in the live stock situation. The demand for good quality beef has been exceptionally good at all yards and the number of shipments continues well above last year's mark. The demand from the United States which was so pronounced early in the year has slackened off, but the general situation continues to be exceptionally good.

Dairy Prices Higher

The demand of both domestic and English buyers for cheese has attracted a great deal of interest during the past two or three weeks. It will be remembered that last year both the cheese and butter demand was depressed owing to the unsettled situation on the other side. This spring there has been a steady demand and some substantial orders have been placed. Prices for both butter and cheese particularly the latter, have advanced steadily and during the past two or three weeks cheese prices have been considerably above those for the same time last year. Shipments of cheese from the port of Montreal since the opening of navigation up to date has been especially heavy and prospects are good for a further continuation of this movement.

Cold storage stocks as shown on the statement prepared by the Federal Government are about normal.. Cheese and a few other products, of course, are below those at the same time last year and also below the five year average.

Good Demand Expected

From current indications it appears that there will be a strong active market for dairy products this year which should prove beneficial to the dairy producers in Ontario and Quebec who have found the market for their products limited, owing to the action of the United States Government in putting into effect the Lenroot Bill which was designed to regulate the quality of milk and cream going across the border.

New Regulations Have Good Effect on Homestead Claims

From Our Own Correspondent

MONTREAL.—Homestead entries in the various land offices in Alberta have shown a very marked increase as a result of new regulations announced by Ottawa. Under the new arrangement persons who have proved up on their homestead prior to January 1st, 1925, are entitled to farm on the second homestead. It is necessary, however, to make application to the Commissioner of Dominion Lands specifying the land previously homesteaded and to secure authority from this source to enter a second claim.

Demand for homestead lands in the northern part of the province continues to show an unprecedented demand judging from the records of the Dominion Land Offices at Grande Prairie and Peace River. At the former point, 289 entries are reported during the month of June, making a total of 732 for the three months' period ending June 30, and at Peace River, 400 entries in June made up a total of 1,040 in the three months.

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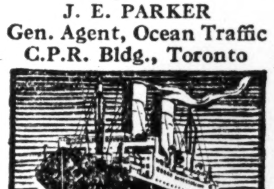
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118th ANNUAL REPORT

General Balance Sheet on 31st December, 1927

LIABILITIES

SHAREHOLDERS' CAPITAL—Subscribed—		
550,000 Shares of £5 Sterling each	$13,750,000.00	
4% Preference Stock	8,750,000.00	
	$22,500,000.00	
Paid-up—£1-5-0 Sterling per Share		$ 3,437,500.00
Paid-up Preference Stock		8,750,000.00
		$ 12,187,500.00
Profit and Loss		13,560,306.00
Dividends unclaimed		78,251.00
Superannuation Fund		1,465,670.00
Contingency Fund		5,000,000.00
FIRE DEPARTMENT—		
Fire Insurance Fund	$ 16,376,180.00	
Outstanding Liabilities	8,375,097.00	
		$ 24,751,277.00
LIFE DEPARTMENT—		
Life Fund	$113,589,900.00	
Outstanding Liabilities	3,350,130.00	
		$116,940,030.00
ANNUITY BRANCH—		
Annuity Fund	$ 16,569,438.00	
Outstanding Liabilities	201,115.00	
		$ 16,770,553.00
SINKING FUND ACCOUNT—		
Funds	$ 1,170,690.00	
Outstanding Liabilities	1,730.00	
		$ 1,172,420.00
		$191,926,007.00

ASSETS

Investments in Mortgages, Bonds, Stocks, Real Estate, etc.	$ 51,001,572.00
Agents Balances	1,988,843.00
Outstanding Premiums	89,911.00
Interest accrued but not payable	804,745.00
Bills Receivable	72,701.00
Loans on Deposits	275,000.00
Cash on hand and in banks	2,511,044.00
Due by Life Branch	299,188.00
	$ 57,043,004.00
LIFE DEPARTMENT—	
Assets of Life Branch	$116,940,030.00
ANNUITY BRANCH—	
Assets of Annuity Branch	16,770,553.00
SINKING FUND ACCOUNT—	
Assets of Sinking Fund	1,172,420.00
	$191,926,007.00

(Exchange $5.00 to the £ sterling.)

The Company's Investments in Canada at 31st December, 1927 exceeded $7,000,000.00

Head Office for Canada - 460 St. Francois Xavier Street, Montreal

C. A. RICHARDSON, Manager for Canada

Pulp & Paper

INTERNATIONAL'S NEW HOLDING UNIT VOLUNTARY TRUST

Reasons why International Paper and Power is not To Be Incorporated

HOW IT OPERATES

Trustees Administer Association in Accordance with Managements' Instructions

From Our Own Correspondent

MONTREAL.—The International Power and Paper Co., the new holding company which is to take over International Paper and all its subsidiaries, is not to be an incorporated organization, but a Massachusetts voluntary association. Many shareholders of International Paper have not as yet ascertained the reasons for the formation of an association rather than a limited company and have wanted to know the exact difference which exists between the two different types of constitutions. The answers are simple.

The laws under which the New England Power Association operates, do not permit the shares of that organization to be held by a corporation. Hence, International Paper, instead of forming a new holding company, has formed the International Paper and Power Co., a Massachusetts voluntary association, to control this utility.

A Massachusetts voluntary association is an unincorporated company formed under the law of Massachusetts by a declaration of trust made and executed by the trustees. This declaration of trust is the constitution of the company and corresponds exactly with the charter of an incorporated organization. Through this trust, the directors control the operations of the company.

The beneficial interest in the trust is represented by shares. The shares entitle the holder to vote. The primary matter on which voting will be done is the election of directors. Shareholders would also vote on certain amendments to the declaration of trust relating to increases or changes in the share capitalization. The shareholders may also remove the trustees, as well as the directors.

The business of the new company will be run by a board of directors subject to certain technical powers vested in the trustees. As the company will not be a corporation, the declaration of trust will contain certain provisions for the protection of the shareholders, the directors, the officers and the trustees against personal liability.

Newspaper Output Up 17% in First Half-Year

From Our Own Correspondent

MONTREAL.—Newsprint production, both in Canada and the United States, showed a slight falling off last month. Output for Canadian mills totalled 192,891 tons and shipments to 190,936 tons, while the American plants turned out 119,673 tons and shipped 116,901 tons. In the previous month Canadian production amounted to 203,811 tons and that of the United States 120,010 tons.

Cumulative production for the six months ended June last shows that Canadian mills continue to record an increase as compared with other years, while the decline in output of American mills, noted last year for the first time, continues.

For the first six months of this year Canadian mills produced 1,164,573 tons, or 166,904 tons more than in the corresponding period of 1927, an increase of 17 per cent. The United States output was 718,800 tons, or 7 per cent. less than for the same six months last year.

During June Canadian mills operated at 79.2 per cent. of rated capacity. This compares with the six months' average of 82.9, which in turn was 3.5 per cent. less than in the first half of 1927.

Superior Paper Mills Now in Liquidation

From Our Own Correspondent

MONTREAL. — Superior Paper Mills, which has been in operation a little over a year at Thorold, Ont., has been closed down and is now in liquidation. The plant will remain closed until reorganization is effected. This is taking place and it is expected that the outcome will be that the plant will later be devoted to roofing paper manufacture.

The company was originally incorporated in 1926 with an Ontario charter. The plant, which has an annual capacity of 3,000 tons, has been devoted to the production of tissue, waxing, twisting, bond, writing and wrapping paper. The buildings and equipment represent an investment of about $205,000.

The capital set up of the company includes $60,000 of 7 per cent. ten year bonds and $240,000 of common stock.

Thunder Bay Pulp Pipe Line Now in Construction

From Our Own Correspondent

MONTREAL.—Installation of a pipe line, between the Thunder Bay Pulp Mill at Current River, near Port Arthur, and the main paper mill at Bare Point, a distance of two and a half miles, is under way.

The pipe line will be used for pumping the product from the Current River mill in slush form, direct from the grinders and converges at the far end, along with the fresh stock from the Bare Point mill grinders. The equipment will be in operation before the fall. It will unite the two plants, making virtually one mill. The line is similar in construction and purpose to an installation at the Wisconsin Rapids plant, which carries sulphite through a pipe line, over four miles long.

By means of a "go-devil," a unique instrument of rubber, and forced through the pipe by water pressure, the pipe line will be cleaned at regular periods. The installation is one of the few in Canada and certainly the longest. The expenditure on this undertaking will be considerable.

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"I. P." Shareholders Not to be Forced

In answer to a direct inquiry from The Financial Post, John T. Rollins, of New York, secretary of the International Paper Co.'s committee on the formation of a new holding company, states that it is not mandatory upon shareholders to accept the exchange of stock offered. Even if a majority do accept the new shares, the balance may stay out. The "plan" states: "The new company will acquire either at least a majority of the shares of stock of International Paper Co. or, directly or indirectly, all or a part of the assets of International Paper Co., or may acquire both shares and assets," and it also states: "The plan will not become effective, however, unless there shall be deposited under the plan and agreement such number of shares of International Paper Co. as the committee shall deem sufficient for the consummation of the plan."

TELLS PUBLISHERS TO ORDER SLOWLY

Editors' Journal Gives Advice to Those About to Sign Contracts

Predictions were freely made in New York last week that the newsprint market would continue soft for at least three years, and expert buyers were advising publishers not to rush their signatures on to contracts in any too great haste, says Editor and Publisher.

This advice was being offered in the face of promises by the paper companies of reductions in price contingent upon contracts signed now for 1929.

H. M. Joyce, manager of sales of the Great Northern Paper Company, confirmed as "approximately correct" information published in this paper last week to the effect that newsprint would be reduced $3 a ton to contract customers in 1929 regardless of whether or not publishers signed now. This week Mr. Joyce, who had promised an official statement, said Editor & Publisher's story was complete and that there was no need for any further comment.

Insiders predicting that the over-produced state of the market will keep prices low for at least three years argue that it took just that length of time to arrive at the peak of over-production, and the cure cannot be accomplished in less.

Other than International Paper Company and Great Northern, no paper companies have announced their 1929 prices. Sales representatives, however, it is known, are assuring customers that by one method or another a price of approximately $60 f.o.b. mill will be arrived at. In the east a number of mills have been selling at $69 a ton delivered and have explained that the price will be reduced to $66.

The extent of the over-production is variously estimated from 600,000 to 900,000 tons.

Abitibi Makes Headway Retiring Underlying Bonds

From Our Own Correspondent

MONTREAL.—Good headway is being made with the recapitalization plans of the Abitibi Power and Paper Company. This week official notice was given of the redemption of the bonds of the Manitoba Paper Company, St. Anne's Paper Company and the gold coupon notes of the Abitibi Power and Paper Company.

At present the outstanding capitalization of the company includes $50,000,000 first mortgage gold bonds, series "A," $1,000,000 7 per cent. cumulative preferred stock, $34,976,400, 6 per cent. cumulative preferred stock and 986,787 shares of common stock of no par value. The latter item does not include 24,886 shares in the treasuries of the constituent companies, of which 7,649½ shares are held by trustees for Abitibi Power and Paper Company, Limited.

The above takes into consideration, however, the issue to shareholders of two shares of common stock for each share of the old common held by them; making provision for the 6 per cent. cumulative preferred shares and common shares to which shareholders of the subsidiary companies (including Spanish River which has recently been acquired by the Abitibi Company) are entitled under the various outstanding offers of the Exchange, the preferred shares of the Spanish River Company, and deposited as on May 17 last, to be provided for wholly from the 6 per cent. cumulative preferred shares of the company; and the issuance and sale of the 6 per cent. cumulative preferred stock and the first mortgage bond issue.

Stabilized Newsprint Industry not Expected for Another Two Years

Need Now is to Bring Production Down to Consumption

CAPACITY TOO HIGH

Expect Operating Ratio Will Continue to Ease Off in Months Just Ahead

From Our Own Correspondent

MONTREAL.—Stabilized conditions in the newsprint industry are not expected for at least another two, and possibly, three years.

It took three years for the industry to come back after the crash in the newsprint market in 1921.

The present situation, however, cannot be compared to that of seven years ago. Then it was a case of rapidly declining values and the readjustment of the whole commodity price fabric. To-day it is a matter of bringing down production to a point where it more nearly approximates consumption.

For over a year The Financial Post has been pointing out that production was rapidly outstripping consumption.

For a long time it was the general opinion that newsprint plants had to operate at rated capacity in order to make a profit. The spread between the cost of production and selling price was limited, and it was only by operating at 100 per cent. that a good profit could be made.

Operating Conditions Peculiar

In other industries the operating ratio is much lower. There is a vital difference, however, which largely accounts for the high operating capacity of newsprint mills. The demand for paper is from day to day. Stocks on hand are never large, either in the stock rooms of the mill, newspaper or magazine.

Furthermore, storing of newsprint is an expensive proposition owing to the difficulty of keeping it from being damaged. At present the Newfoundland paper mills are the only ones which make it a practice to stock supplies, and then only for the reason that it is impossible to ship during the winter months owing to the closing of navigation. Then, too, a mill producing three or four hundred tons of newsprint a day has not the space to store its production of even a few days.

Accordingly production of the newsprint plants closely adheres to demand. When the consumers are taking all the mills can produce, an ideal situation is created. But when production begins to overlap consumption, then the mills must necessarily lower operations.

Signs of Overproduction

It is this process of overproduction that has been going on for the past twelve months and has culminated in the disorganization of the central selling agency and the creation of an open market and lower prices.

Within the past two years the capacity of American mills has declined. This has been offset, however, by the installation of a number of new machines in Canada. At the moment the rated daily capacity of Canadian mills is 10,565 tons.

It is obvious that the market as at present constituted, cannot absorb such a large amount. Last month the production ratio was slightly over 79 per cent., or roughly four-fifths of capacity.

In other words the demand, largely from American consumers, is about four-fifths of the present capacity of Canadian mills.

During the balance of this year a number of new newsprint machines will be brought into operation, increasing the rated daily capacity of all mills by approximately another 1,000 tons.

As there is little possibility of this additional output being taken up readily, it is reasonable to assume that the operating capacity of Canadian mills as a whole will show further declines.

There will be a reasonable increase in demand from the newspaper and magazine publishers so that the volume of production will continue to increase, but operations will have to be curtailed as capacity is increased. This decline may be checked slightly as operations lessen in the American mills; a phase which has grown more important during the past few months.

In the event of it taking two or three years for the newsprint industry to adjust itself, some of the high cost producers will not fare so well. The consolidations and mergers of the past year will have to proceed warily, while the independent will find the going hard.

Abitibi has already taken the lead in lowering operations of its mills to meet demands by closing down the Fort William plant and some of the Spanish River machines and have held up the bringing into operation of the Murray Bay plant.

Still Make Profit

That the different Canadian newsprint companies can operate on an even lower ratio than 79 per cent., and still make a profit is possible. Last year Port Alfred Pulp and Paper Corporation operated at about 55 or 60 per cent. of rated capacity and was able to report earnings of $6.80 a share on the common stock.

Whether the other companies will be able to do so good remains to be seen. The fact remains, however, that capacity plant operations are still some distance in the future.

Fraser River Pulp Making Progress

Substantial headway is being made on the establishment of a large pulp and paper mill on Poplar Island, B.C., by the Fraser River Pulp Mills, Limited. To date more than $400,000 has been raised to finance this undertaking. Both Seattle and Vancouver people have become interested in the company, notably Russel F. Barket, president of the National Box and Paper Company.

KRAFT CUT WILL AFFECT PULP RATE

Canadian Mills Will Have to Meet U. S. Price For Sulphate

From Our Own Correspondent

MONTREAL.—The reduction in price of kraft paper in the United States may have only a minor effect on domestic prices, but obviously the reduction in price of kraft paper must have its effect on the current quotations for sulphate pulp in the States, and it is the United States price for sulphate pulp which the Canadian mills obtain for their output of sulphate.

The Canadian kraft mills are wont to convert as great a proportion of their sulphate production into kraft paper in order to obtain maximum profits. But all the kraft mills have a surplus production of sulphate pulp. Hence, the reduction in the price of kraft in the United States first announced by The Financial Post several weeks ago must have a bearing on the profits of the Canadian kraft mills.

Until recently the market for kraft and sulphate pulp has been the one comparatively strong feature in the market for pulp and paper products. Apparently, the situation facing the remainder of the pulp and paper industry may shortly face the kraft producers. In the meantime, though, domestic prices for kraft are fairly strong. Reduction of prices in the States affects the Brompton subsidiary, the Claremont Company, the operating kraft mill in New Hampshire.

Lease of property near Ogden Point, Victoria, B.C., for use as a site of the cold storage plant has been ratified by the Federal government, and it is understood work will begin this summer on a plant that will run to $600,000.

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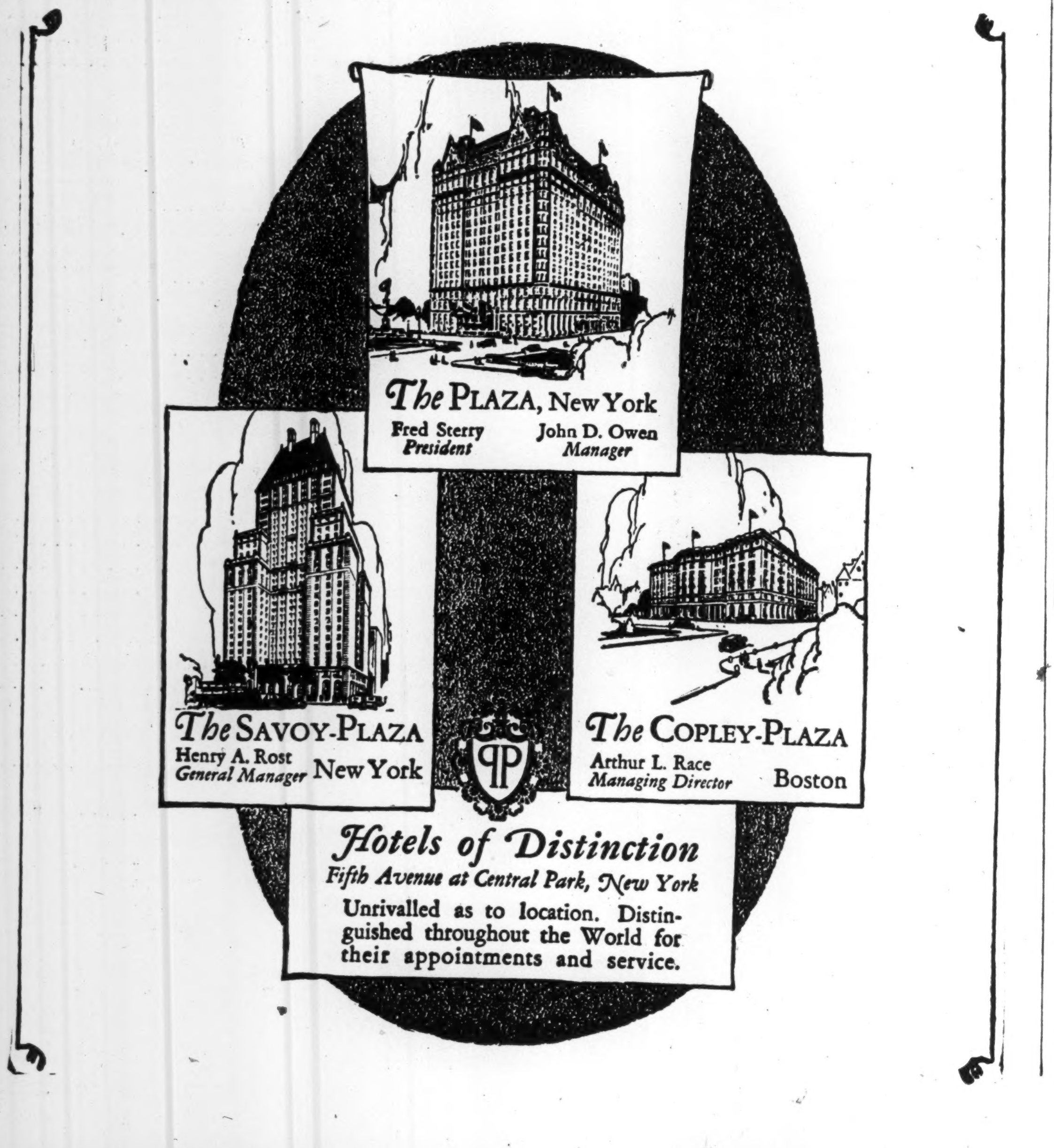
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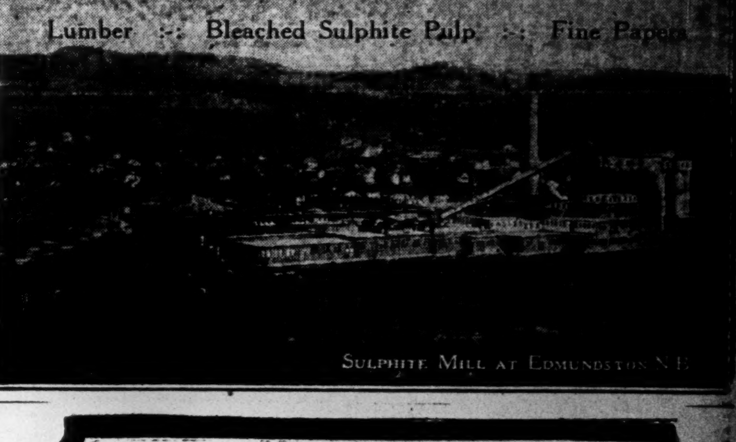

SULPHITE MILL AT EDMUNDSTON, N.B.

BATHURST
BATHURST COMPANY LIMITED
Groundwood—Sulphite
Kraft—Newsprint—Lumber
BATHURST, NEW BRUNSWICK

The Canada Power & Paper Corporation
Total Daily Capacity of Plants: 1250 Tons of Newsprint.
Also producing fine and kraft papers, paperboard, paper boxes, paper bags, paper specialties, and sulphite, kraft and groundwood pulps.
Successor and Operating Company of:
Belgo-Canadian Paper Company Limited
Laurentide Company Limited
St. Maurice Paper Company Limited
Canada Paper Company
Head Office:
MONTREAL-QUEBEC

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

Canada Northern Power

Shall I hang on to my bonds of the Canada Northern Power?

The satisfactory point about the Canada Northern Power bonds is that the company is steadily expanding and increasing its earning power. We regard this as a good issue.

Abitibi Power

I am thinking of buying some of those new bonds of the Abitibi Power and Paper Company. Are they a sound issue?

The Abitibi bonds were floated on the market by a strong banking group. Ranking junior to the bonds there is a large equity in preferred and common stock. The issue is a good investment.

International Paper

Should I accept the International Paper's offer and exchange my preferred and common shares for stock in the new International Paper and Power Company?

We think that you would be well advised to exchange your International Paper preferred and common for shares in the new International Paper and Power Company. Such an exchange has been recommended to you by leading shareholders of the company and as you have nothing to lose by making the exchange we should certainly advise you to do so.

Holds Foreign Funds

I have some money in Belgium, but have been hesitating about having it transferred to Canada because I feel that the franc might move up. What are your views on such a problem?

On the whole, we are inclined to feel that you would be well advised to have your Belgian funds transferred to Canada. If the franc moves upward, it naturally means that prices in Belgium must fall. With falling prices business is necessarily bad. Hence, it is our feeling that the European governments with depreciated currencies are not going to push the value of their currencies upward at the expense of their industries.

You will recall that when Great Britain pushed the pound up, industries in the United Kingdom suffered greatly. Hence, we think that you would probably be well advised to have your Belgian funds transferred to Canada.

Shawinigan

I happen to have come by some of the shares of the Shawinigan Water and Power Company. I presume you consider these to be a good security?

Your Shawinigan shares are an investment which should be retained over a term of years. You should obtain eventually a handsome appreciation on your holdings.

International Pete.

What do you think about the purchase of International Pete. at its present price? I have followed your advice very satisfactorily in the past.

International Petroleum has the appearance of being a sound long hold for a business man. It is somewhat speculative but it is a jolly interesting speculation.

Abitibi

In its present position, I have been told that my holdings of Abitibi common are particularly attractive. Do you concur in this opinion?

In view of the present over-production situation existing in the newsprint industry, no newsprint stock looks particularly attractive. As a long hold Abitibi is a fair business man's stock. But there most certainly exists the possibility of a further decline in the stock.

Canadian Celanese

I am the holder of the preferred shares of the Canadian Celanese and have been disappointed in its market action. Why is the stock not stronger? Is it a hold?

We have heard that Canadian Celanese has encountered some difficulties. Probably though, these difficulties which it is reported are of a merchandising nature, are merely of a character encountered by new industrial organizations at inception. The preferred of Canadian Celanese can only be regarded as a speculation. Ultimately though, we believe that the Canadian company should manage to give a good account of itself much in the way that the sister companies in Great Britain and the United States have done. The stock is a long hold only.

Cockshutt Plow

Will you let us have your opinion regarding the present issue of Cockshutt Plow common stock which is now listed on the Curb Market at around $27?

We are of the opinion that Cockshutt Plow common stock at around $27 per share is an interesting semi-speculative investment in the Industrial Class. The company, as you probably know, recently reorganized its financial structure to wipe out accumulated arrears in dividend on the old preferred stock. The company now has no preferred stock and no bonds having a prior charge on earnings and it is probable that the dividend rate of $1.50 per quarter can be maintained. The company is one of the more important companies in the agricultural machinery business. It has a valuable good will in Canada and the export business gradually is being built up.

Trust Funds

I am acting as trustee for an estate having some $25,000 for investment. I am not restricted in the type of investments to be made. At present 25 per cent. of all funds is in the bonds of Brazil, Peru and province of Buenos Aires. The yield is around 7 per cent. Do you think that the rates are too high, safety of principal being a cardinal factor rather than a high yield?

We are of the opinion that the percentage of foreign bonds in proportion of trustee funds handled by you is too large. The purchase of foreign bonds should be done with the idea of "sweetening the yield on your total investments. Your commitments should be kept low. For a person in your position safety is the dominant factor. You cannot afford to take a chance on trustee funds even though the yield is very attractive. Not more than 10 per cent. of your total investments should be in foreign bonds.

The financial record of the South American Republics during the past quarter of a century has not been only favorable. In the last few years, however, they have accomplished a great deal in adjusting their external debt, stabilizing currency, etc. This credit may be placed to both Brazil and Peru. We would place the Argentine, Colombia and Chile before Brazil and Peru when considering safety.

Asbestos Preferred

I am the holder of a few shares of the Asbestos Corporation. Are these shares good for a hold?

Asbestos preferred can be regarded as a business man's high yield investment. The stock is non-cumulative and the present company has hardly lived up to the high hopes expressed at the time of its inception. However, we believe that it is likely to continue to earn its preferred dividends and in the years to come likely to increase its earning power. However, the stock cannot be placed in the investment class.

City Dairy

Kindly give me your opinion of City Dairy. What interest would I receive at present price on common stock?

We consider the common stock of City Dairy of Toronto one of the most attractive of the stocks in the food industry. The stock is paying dividends at the rate of $2 per year and at the present price of around $58, you would be receiving about 3½ per cent. on your investment. It is a conservative common stock which, in our opinion, should be purchased with a view to appreciation over a term of a year or more.

Lord Nelson Hotel

I would appreciate information regarding first mortgage bonds of Lord Nelson Hotel Co., Ltd., 6½ per cent., issued Nov., 1927. This hotel to be erected in the city of Halifax and presumably sponsored by the C.P.R. Is this a safe investment and would bonds be readily marketed?

Bonds of Lord Nelson Hotel Co., Ltd., should be a safe investment as the hotel will be operated as one of the C. P. R. chain and therefore should be assured of steady earnings.

While there is not the same ready market for hotel securities in Canada as in the United States, where they are extensively traded in, there should be a fairly good market for these bonds once the hotel is completed and the enterprise is on a good earning basis.

Eastern Dairies, etc.

My position is this: I hold a few preferred stocks and I am about to go abroad where I intend to stay for a year or more and have invested my savings in those preferred stocks and would like your opinion whether those stocks are safe enough for a person residing in a foreign country, thus being unable to get any information. I have:

Ten Eastern Dairies, seven per cent., bought at 99; five Canada Northern Power Corp., seven per cent., at 100; four Dominion Power & Transmission at 100; five Zimmerknit, seven per cent., at 92; three Hamilton Dairies at 98.

Would you consider selling any of these and buy Canadian Paperboard seven per cent. bonds? I do not care about appreciation in value so long as they are safe, readily sold and return a good yield.

Would also like your opinion of the following preferred stocks, all seven per cent.: Alberta Pacific Grain, Porto Rico Rly., Inter. Power., Port Alfred Pulp and Paper, East Kootenay Power.

We are of the opinion that no investment should be left unwatched. But we believe that if you have your money spread over a number of preferred stocks and at the same time have The Financial Post follow you to your residence wherever it may be, you will be in a position to safeguard your securities. We believe that we are in a position to give accurate and timely information concerning all of the active Canadian stocks.

As to the specific stocks about which you ask, our opinion is as follows:

Eastern Dairies preferred is a good stock for a business man. The company is improving its position and should do well. The stock has a mild speculative side.

Canadian Northern Power preferred is a satisfactory investment.

Canadian Paperboard bonds look to us to be a better investment than some of the preferred. The company is doing well.

International Power preferred, in our opinion, is a good high yield stock in an improving position. As you probably know Porto Rico Railways now is controlled by International Power Company.

As regards Port Alfred Pulp and Paper preferred, it would seem that a person who is not in direct touch with the market would be well advised to refrain from investment in the stock of the newsprint companies. The newsprint industry is not in a good position at present owing to the over production of newsprint and its consequent low price.

You might get a little appreciation if you hold for two years or more the preferred stock of the East Kootenay Power Company. The company finally appears to be in a position to better its earnings. The outlook is much improved.

We believe that the preferred stock of the Dominion Power and Transmission Company is a highly satisfactory investment.

The Zimmerknit 7 per cent. preferred is attractive in the textile field, although this company is not the leading one in its branch of the industry.

The comment which we made with regard to Eastern Dairies preferred applies likewise, we think, to Hamilton Dairies preferred. The company is a merger which probably will work out all right, but possibly the preferred at this stage is speculative.

The 7 per cent. preferred of the Alberta Pacific Grain Company should be a satisfactory investment.

We believe that you might save yourself from some worry if you placed only about half of your funds in these high yielding preferreds, and put the balance in such preferred stock as City Dairy, Toronto; Dominion Textile, Canadian Canners first preferred and one or two others which are in a somewhat higher investment class than some of those which you mention.

Can. Hydro-Electric

I am considering the purchase of the Canadian Hydro-Electric Co.'s preferred stock at market levels. Would appreciate your advice on this stock as a long hold proposition.

The Canadian Hydro-Electric preferred stock is satisfactory as an investment. The company's subsidiary, the Gatineau Power Co., is now bringing into operation its plant at Paugan Falls and arrangements which have been made for the sale of power output assure the company of a good earning power.

Tipster Sheets Again

Some time ago I invested in the stock of Ardsley Butte Copper, of Montana, on the advice of the Financial Criterion, a paper published in Boston. Lately I have had occasion to write to the Financial Criterion but have had no reply. Do you know anything about this paper or the Ardsley Butte Copper stock?

The Financial Criterion is a tipster sheet. We have not heard much about it lately; it has been banned from the Canadian Mails.

If you bought copper stocks on its recommendation you stand a good chance of losing your money. We have no information on our files regarding the Ardsley Butte Copper of Montana. However, if you will write to the Better Business Bureau of New York City, they will be able to give you up-to-date and accurate information regarding this company.

National Finance Co.

In 1911, the writer bought two $500 debentures of the National Finance Co., Vancouver, dividends were paid at the rate of 6 per cent. for two years and then suddenly ceased. This year I received the following letter from the Yorkshire & Canadian Trust, Limited, head office, Huddersfield, Eng., branch office, Vancouver:

"As a holder of National Finance Co., Limited debentures, you are now entitled to a dividend of 10 per cent. of the amount of your claim. If you will therefore forward these debentures to us for endorsement we will return them to you together with our cheque for the amount due."

This is the first word I have received from this company since 1914, and I would appreciate it very much if you will let me have the latest information regarding them and just what you make of their letter.

The National Finance Company, Limited, of Vancouver, went into liquidation in 1914. The liquidator was the manager of the Yorkshire and Canadian Trust, Limited. The assets of the National Finance Company were real estate and mortgages and similar securities which became frozen when the boom in Vancouver burst at the beginning of the World War.

The liquidator, in statements issued from time to time, stated that it was not advisable to force the assets on the market. Apparently in the last two or three years, since Vancouver began again to grow, it has been possible to realize on real estate in that vicinity which had been tied up. There is now enough cash on hand to pay 10 per cent. to the debenture holders who had invested approximately $500,000.

We do not know at this writing whether or not any further distribution may be expected.

Dom. Palace Pier

I understand they are building the Dominion Palace Pier at the mouth of the Humber River, Toronto, and they are now offering stock at $10 per share of common stock to the public, and it is mentioned that these amusement piers are very successful and profitable in England as well as in the United States and that this proposition will be managed by practical men. They expect to be successful and profitable.

Of course, I understand it is a speculation but I would be glad to know your opinion of it, and if you think there is a reasonable chance of success in this venture.

Shares of the Dominion Palace Pier Corporation should be regarded as decidedly speculative charges, with a fair chance of appreciation over a comparatively long hold. With the best of luck in construction, it is unlikely that the pier can be open for operation for another 14 or 15 months, and it will be a considerable time after that before the company will be operating, smoothly and on a profit earning basis.

Boring to determine the nature of the foundation piers to be used, has been completed by the engineering department of the company and cast iron screw piles twelve inches in diameter have been decided upon. These are of the same type as used in the higher grade piers in Great Britain and are of a kind that should last a life time.

For 20-Year Hold

The writer is one of your subscribers and is interested in investing $20,000 or so in the future of Canada. Safety, appreciation, and marketability are more important than yield. A period of ten to 20 years is about right for planning. Would you care to recommend four or five stocks you consider best for the purpose?

Would you advise Canadian Pacific, Imperial Oil, Hudson Bay Co. or certain power companies?

A few weeks ago we made a special study to determine which would be six of the most promising of Canadian stocks looking ahead twenty years or more. This study was made especially to suit an investment for an infant, who was not an orphan, but we are strongly of the opinion that it would be suitable for any investor who is interested in the future of Canada, and who is not in immediate need of dividend return.

These six stocks were:

Canadian Pacific Railway.
Shawinigan Water and Power.
Imperial Oil.
Consumers Gas.
Royal Bank of Canada.
City Dairy of Toronto.

You will observe that of the six stocks, four are utilities, a fifth is an essential food product and a sixth is an industry which in a space of twenty years has assumed the importance of a public utility. All are paying dividends.

We believe that the Hudson's Bay Company is likewise a promising investment and might be included in any list of the first dozen stocks of companies operating in Canada. The only objection to Hudson's Bay Company stock is that while it has recently been listed on the Montreal Curb there are few transactions in this country and the stock is a book stock transferable only on the books of the company in London, England. For this reason the stock is of no practical collateral value in Canada or the United States, but this objection does not hold for a person who intends to buy a stock outright. Of course, it is readily saleable through a London stock broker. Ultimately we believe that trading will become more active in this country.

Oil Royalties

I am writing you a few lines for information on Oil Royalties. Now, I believe this company operates in Oklahoma. Are these investments good, or are they speculations or gambles?

Oil royalty companies buy from the owners of land the owner's right or royalty to a share of the oil which is extracted from the ground by the oil company owning the drilling rig or drilling rights. The success or failure of an oil royalty company depends on the luck or judgment of the person selecting the royalties to be bought. As oil wells constantly are petering out, it is necessary for an oil royalty company constantly to be buying new royalties. And as a royalty company may continue to buy royalties in a field which is petering out there is a heavy speculative element. The distance between a Canadian shareholder and the field of operation and management also is a factor to be considered.

The worst of these companies are gambles or organizations which are not formed with the intention of benefiting the shareholder permanently. The best of these organizations, in our opinion, are high yield speculative investments for persons who have surplus funds, over and above more conservative investments, which they feel justified in putting into enterprises which give a much greater yield than do conservative bonds and stocks.

Kelvinator

Would you kindly give me any information possible on Kelvinator Co. of Canada?

Are they at present earning their preferred dividends, and anything on common stock?

I understand they had a considerable deficit in 1927.

Would you consider the common a fair speculative buy at present price? Last sale a day or so ago on Toronto Exchange was $10 a share.

Our information is that the Kelvinator Company of Canada is doing much better this year than it did last year. This betterment is a reflection of the experience of the parent company in Detroit. The parent company guarantees preferred dividends on the Canadian preferred stock. As yet, however, the preferred stock must be considered speculative and the common at this stage probably is little better than a gamble.

Bitumuls, Ltd.

Please give me some information about Bitumuls, Ltd.

The company is a new enterprise organized to manufacture in this country asphalt paving material which is claimed to be an improvement over the asphalt now generally in use. The company has the Canadian rights on an emulsified asphalt process owned and used by a company in London, England. It is stated that this material is generally acceptable to road-making authorities in Great Britain and in Europe and that some of the product has been used in California.

The officers and directors of the company in Brantford are local business men who are well regarded, so far as we are able to learn. The capitalization of the company will consist of one thousand shares of 7 per cent. cumulative preferred stock, redeemable at $110, with a par value of $100. The amount of issued common of no par value is not stated in the prospectus, but it is stated that the promoter receives 1,000 shares in consideration of his handing over the Canadian rights and that the purchasers of the preferred stock will receive one-half share of common for each share of preferred. It is not stated as to what commissions are being paid or if the salesmen are receiving additional stock. But as control undoubtedly would rest with the promoter and his immediate associates, it is probable that the amount of common stock issued would be moderate. E. T. Sterne is president of the company. B. L. Harvey of Montreal, Quebec, is the promoter. The name of the English company owning the rights of this process is Bitumen Emulsions, Limited, of London, England.

C. & E. Land

Will you give me information regarding Calgary and Edmonton Land Co., respecting the part of country in which this company's land is situated?

I am aware that the property is somewhere in Alberta, but would like something more definite, such as local names, land description, or, in what relation is this company's property to that of the Hudson's Bay Co., where the Marland Oil Co. are now carrying on oil drilling operations.

The Calgary and Edmonton Land Co., Limited was formed for the purpose of selling the acreage covered by the land granted in connection with the construction of the Calgary & Edmonton Railway from Calgary south to McLeod and from Calgary north to Edmonton. The railway franchise was acquired, we believe, by the Canadian Pacific Railway, so that if you follow the line of railway north from McLeod through Calgary to Edmonton, you will get a very fair idea as to where were located the 1,200,000 acres of land granted from the Crown at the time the railway was projected.

All of this land, excepting about 54,000 acres, has been sold but in no case was the right to extract minerals or oil from the land underneath sold with the surface. Thus, the company has claims on any minerals discovered on 1,200,000 acres of land in Alberta.

In view of the possibilities of oil being found in Southern Alberta in commercial quantities the shares of the company have been thought by many to have a good speculative value. There are, roughly, 241,000 shares outstanding which have been reduced down to sixpence per share, making the par value of the whole capital at this date at about $30,000. It has been proposed recently that a Canadian company be formed to take over the English company and let the shareholders be given ten shares of stock in the Canadian company for each share in the English company. The proposed directorate of the Canadian company includes F. Gordon Osler, of Osler and Hammond; D. C. Coleman, vice-president of the Canadian Pacific Railway, and other persons of distinction in the commercial and financial world.

The success or failure of this company in the future depends largely on the success or failure of all developments in Alberta. There are strong hopes that the mineral resources of Alberta constitute an important asset to Canada.

The most important results achieved in Alberta have been under the auspices of Imperial Oil, Limited and the Canadian Natural Western Gas Company. The Marland Oil Company has been operating in a rather small way on lands of the Hudson Bay Company, but so far there has been no great success. The Calgary and Edmonton Land Company owns important properties within the oil region, according to some geological reports.

If you wish any further information concerning the Calgary & Edmonton Land Company, it can be obtained in Great Britain from Mr. F. Roche, secretary, the Calgary and Edmonton Land Co., Limited, 8 Princess St., London, E.C. 2.

Sask. Co-op. Creameries

Will you please advise upon what basis was Caulder's and Sask. Co-operative Dairy merged; also former and present capital structure?

Saskatchewan Co-operative Creameries, Limited, was a government enterprise which was losing money. Caulder's Creameries were profitable. As the co-operative enterprise was organized under the provincial co-operative laws, and as there were heavy government obligations, it was necessary in order to achieve the merger that Caulder's be merged into the co-operative enterprise, although it is not now truly a co-operative undertaking except in so far as there is a dairymen's ownership of stock.

Caulder's Creameries expanded rapidly and there were a number of purchases which brought changes in capitalization prior to the merger with the government enterprise. So far as we have been able to determine from documents on hand the capitalization of Caulder's at the time of its merging with the Co-operative Creameries was $800,000, of which $600,000 was in preferred stock and the balance in common stock. After the common had received a cumulative dividend of 8 per cent. the preferred was entitled to participate equally with the common up to 10 per cent.

The following paragraphs from official sources explain the existing capitalization of the company:

The company's securities are as follows: $200,000 7 per cent. gold bonds, maturing July 1, 1929, issued by the Saskatchewan Creamery Company of Moose Jaw, Limited, which was later taken over by Caulder's Creameries, Limited, and later merged with Saskatchewan Co-operative Creameries, Limited; $500,000 of gold bonds maturing July 1st, 1944, $200,000 of which have been set aside to retire the bonds maturing July 1st, 1929. In both cases the rate of interest is 7 per cent. The bonds are coupon bearer or registered bonds, with interest payable July 1st and January 1st. These bonds cover only the assets formerly owned by Caulder's Creameries, Limited or, to be correct, only a portion of the properties formerly owned by Caulder's Creameries, Ltd. These assets, however, are worth approximately $800,000.

The government holds a mortgage for $300,000 on the remainder of the properties formerly owned by Caulder's Creameries, Limited, which properties are valued at approximately $450,000.

The government then has a mortgage for $900,000 on all of the assets which were formerly owned and operated by the Saskatchewan Co-operative Creameries, Limited. These bonds and mortgages constitute a first charge on the property. Next we have $600,000 of 7 per cent. cumulative preferred shares, par value $10 each. These shares participate in additional profits after the amalgamation shares, Series "A," have received a dividend of 8 per cent. They then participate equally with amalgamation shares, Series "A," until the preferred shares have received an additional 3 per cent.

Next we have $108,000 amalgamation shares, Series "A," par value $10 each. These are cumulative, preference shares, and again these shares have a participating feature which makes it possible for them to earn 17 per cent. This could only happen, however, when the Saskatchewan Co-operative Creameries, Limited common shares receive a dividend of 7 per cent. This latter class of shares, according to the amalgamation agreement of March 1, 1927, may be redeemed by the company at any time up to March 1, 1932, at a price of $12.50 per share for the first two years, after that increasing to 50c. per share for the next three years.

The $600,000 of 7 per cent. preference shares do not carry voting power unless dividends are more than nine months in arrear. The $108,000 amalgamation shares, Series "A," jointly with the Saskatchewan Co-operative Creameries, Limited, common shares, control the company. Each class of shareholder has the privilege of electing seven directors, the full board being fourteen.

Next after amalgamation shares, Series "A," we have $355,083.35 worth of government redeemable 6 per cent. cumulative preference shares and next Saskatchewan Co-operative Creameries, Limited, common shares, on which there has been fully paid up $345,275.09, with, however, slightly over $800,000 subscribed and the balance subject to call.

When Women Invest

Noranda Brings $1,000 Profit on 25 Shares Bought at 15; Some Other Investments More or Less Conservative.

A WEEKLY FEATURE

She has sold her Noranda. The reference is to the demure young business woman who was noted because she would never sell anything and never would own anything but a mining stock.

She cleared more than $1,000 on 25 shares of Noranda, having bought around 15 and sold at 58½. She is looking around for a new investment. Her grave and revered senior suggested one of the more conservative utility stocks. She was politely interested. Later she asked about Sherritt-Gordon. She had heard that it is a promising mining development. The comments favorable to the utility stock were not impressive; the qualified approval of Sherritt-Gordon was accepted gratefully. People take advice when the advice is the kind they wish.

Her Right to Speculate

However, she is a young woman earning a good salary and has accumulated something of this world's goods. Her speculations have resulted fairly well over a term of five years. She probably has a much better right to speculate in the better class of mines as has a family man on a salary.

I would appreciate very much an answer to the following question under investments.

A widow with $2,000 desires to invest this amount for approximately ten years, and would like to get something that you would consider almost sure, and to yield about six per cent. She had in mind taking $2,000 in industrial bonds such as the Great Lakes Paper Co., six per cent. 1950, which could be bought at $100. Would you deem it wise to put this money in a local mortgage, or should she put the entire amount in any one security?

The Great Lakes Paper Co. 6 per cent. bonds probably will be satisfactory, but, as the company is only now rounding itself out into a paper manufacturing, having been in the groundwood pulp business only heretofore, we would suggest that only a quarter of the sum be placed in these bonds. If she were to put the balance of the fund into three other interesting issues, such as: French National Mail Lines yielding 6 per cent., the Montreal Coke and Manufacturing first 5½ giving yield of 5¼ per cent. and the first preferred shares of Canadian Canners Ltd., now selling at a price to yield above 6½ per cent., her average yield on an investment of slightly under $2,000 would be approximately 6 per cent. We believe that each of these issues is safe but the diversification as to industry, management and country would be an added feature of safety. We do not think that any one of these issues will go wrong, but, only a world cataclysm would probably cause all four to go wrong.

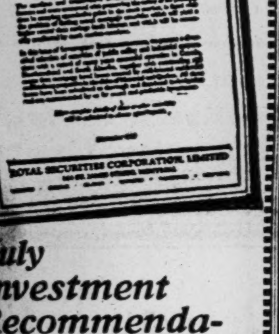
Northwest Utilities

I would like to know if Northwest Utilities, seven per cent. bonds, at around 97 or 100 are a good security. I have $2,000 in N. W. U. bonds and would appreciate your opinion regarding my putting in of another $2,000 or $4,000 in this company, also your opinion on International Power preferred at 102, yielding seven per cent.

I am a widow, but willing to take a little chance in order to get a good yield, but want a reasonable amount of safety.

The 7 per cent. bonds of the North Western Utilities are apparently well secured and earnings are considerably in excess of interest requirements. The bonds at 97 to $100 appear to be reasonably priced. North Western Utilities, as you probably know, is owned by Canadian Utilities which in turn is controlled by International Utilities Corporation. International Utilities is operating a number of gas and other public utility corporations in the Canadian West and has made considerale progress in the last few years. The corporation also owns paying properties in Kentucky.

The preferred stock of International Power Company is not the most conservative preferred stock, but we believe it to be a fairly good investment for a portion of the investment funds of any individual who is not entirely dependent on income from investments.


INVESTMENT RECOMMENDATIONS
ROYAL SECURITIES CORPORATION LIMITED

July Investment Recommendations

More than a score of Municipal, Public Utility and Industrial securities are described in the July issue of our publication *Investment Recommendations*. In addition, this publication gives current prices and yields of a large number of selected Bonds and Preferred Stocks.

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CANADIAN STOCK AND BOND QUOTATIONS

Stock Market Record

WEEK ENDING JULY 17

	Div. Rate	Yield July 16	High for wk.	Low for wk.	Close July 17	Close July 10	Sales for wk.	Range 1928 High	Range 1928 Low
Banks—									
Commerce	12+1	4.36	299½	295	299	296½	883	335	277
Dominion	12+1	5.09	265	255	259¼	268	55	280	250
Can. Nationale	10	5.31	190	188	190	188	38	220	185
Imperial	12+1	5.12	256	251	254½	254½	155	265	245
Montreal	12+2	4.09	346	340	346	350	98	420	334
Nova Scotia	16	4.27	380	375	375	380	73	410	374
Royal	12+2	3.88	364	360	360	365	345	440	330
Standard	12	4.16	289	252	288⅛	252	2444	289	235
Toronto	12+1	4.40	300	295	295	300	20	340	280
Paper—									
Abitibi, com. (n.p.)	4	6.63	62	59	60½	62¼	2823	89¾	47
Do. pref.	7	...	..	...	...	...	...	130	124
Do. pref.	6	5.97	100½	100½	100½	102	311	103	96¾
Belgo Can., pref.	7	6.66	105	105	105	105	10	110	104¾
Brompton (no par)	$2	4.54	46½	42½	42½	46	935	71	42½
Can. Pr. & Paper		...	35	33	33	35	1777	55	32¾
Fraser, com.	$1	1.60	65	60½	62	65	745	93	52
Int. Pap., c. (n.p.)	$2.40	3.47	71	68⅛	68¾	73¼	15200	84⅞	66
Do. pref.	7	6.82	103	102¼	102¼	106	20	108	102¼
Pt. Alf. P., c. (n.p.)	.	...	80	75	78	86	800	150	71
Do. pref.	7	7.07	99	99	99	98	5	108	97
Price Bros., com.	2	2.49	80¼	77¾	80	80	235	120⅜	75
Do. pref.	6½	6.22	104½	104½	104½	105	10	108	103
Smith, How., c. (n.p.)	.	...	26	25	25	26	570	28½	25
Do. pref.	.	...	93½	93	93	93	170	98	93
St. Maur. V., pref.	7	7.33	-99	95½	99	98½	119	105½	95½
Wayagamack (n.p.)	$3	3.58	88	83½	85	88	510	127¼	83½
Steel and Steel Industries—									
B.E. Steel, com.	.	...	4½	4	4	5	870	8½	1
Do. 1st pref.	.	...	38	38	38	40	50	48¼	22
Do. 2nd pref.	.	...	7¾	6⅞	6⅞	8	2060	11¼	3½
Can. Car & Found., c.	.	...	45	42½	43	48½	43	61¼	42
Do. pref.	7	•7.44	95½	93½	94	94	162	97½	90
Can. Fairbanks, pref.	6+3†	5.88	102	102	102	101	11	103	101
Can. Forgings, com.	.	...	..	...	...	...	...	32	15
Do. pref.	1½†	...	..	...	...	...	...	97	65
C.G.E., c. (par $50)	.	...	108	107	108	107	80	115	70½
Do. pref. (par $50)	7	5.73	62	59	59	61	141	62½	58
Can. Iron, com.	.	...	27	26	26	25	58	27	25
Do. pref.	4	5.33	75	75	75	75	318	80	60½
Can. Locomotive, com.	.	...	..	...	...	...	...	40	35
Do. pref.	7	8.75	..	...	...	...	...	87	75
Dominion Bridge	$2.60	3.09	86	83	84	86	3462	97	61½
Dominion Coal	.	...	..	...	...	...	...	98	75
Dominion Iron, pref.	.	...	..	...	...	...	...	12	15
Dom. Steel Corp., pref.	.	...	..	...	...	...	...	76¼	44½
Hamilton Bridge (n.p.)	.	...	30	29	29	...	415	30	29
East Steel Pro. (n.p.)	.	...	32	30	30	32	33	34	23
Do. pref.	7	7.44	..	...	...	...	...	99	94
Gotfredson, c. (n.p.)	.	...	..	...	...	...	...	15	5
Ford Motor	15	...	..	...	...	...	...	570	570
Hayes Wheel, c. (n.p.)	.	...	34½	31	32⅝	32	1580	34½	21
Do. pref.	7	7.29	96	94¾	96	96½	160	100	93½
Massey-Har., c. (n.p.)	.	...	41	39¼	40	41¼	4670	47¼	36¾
Do. pref.	7	6.36	111	109½	110¼	110	253	111	107
Kelvinator, c. (n.p.)	.	...	8½	8½	8½	8½	5	12¾	5
Do. pref.	7	8.23	85	85	85	85	5	88	65
McKin. Ind., c. (n.p.)	.	...	44	43	43	42½	15	47	27¾
Do. pref.	7	7.14	98	98	98	97	50	99¾	97
Do. Vot. Trust	.	...	42	41½	42	42	337	46	26
N.S. Steel, pref.	.	...	..	...	...	...	...	30	25
Ont. Steel, c. (n.p.)	$1.50	4.83	31	31	31	30	10	40	30
Do. pref.	7	5.83	..	...	...	...	...	120	120
Page Hersey, c. (n.p.)	$3	3.10	98	94	96¾	98¼	2730	108	85
Do. pref.	7	3.50	..	...	...	...	...	212	171
Pressed Metals, com.	$3+25c	4.92	72½	66	66	71	108	72½	59
Do. pref.	7	7.12	..	...	...	...	...	105	95
Russell Motor, com.	4	5.71	..	...	...	...	...	72	56½
Do. pref.	7	6.86	102	102	102	101	3	102	97½
Steel of Canada, com.	7	3.53	200	190	195	200	1626	240	178
Do. pref.	7	3.63	190	188	190	200	105	220	160
Milling, Foodstuffs and Merchandising—									
Alta. Pa. Gr., c. (n.p.)	.	...	61	57	59⅛	60	590	70½	48
Do. pref.	7	7.07	100	99	100	100	97	102	96½
Atlan. Sugar, c. (n.p.)	.	...	18½	17½	18½	17	185	27½	15½
Do. pref.	.	...	72	71¾	71¾	72	10	85½	70
B.C. Packers (n.p.)	.	...	18	15	15½	15	980	18	15
B.C. Fishing, pref.	.	...	..	...	...	...	...	77	46
Can. Bak., c. (n.p.)	.	...	38	38	38	41	25	42	37
Do. pref.	7	6.65	...	...	...	...	...	107	102½
Can. Bread, c. (n.p.)	$6	3.89	158	154	154	158	20	170	153
Do. pref. (A)	7	5.78	121	121	121	121	45	124	115
Do. pref. (B)	7	6.36	111	110	110	110	67	112¼	106
Can. Canners, c. (n.p.)	.	...	20	19	19	20	855	23	17
Do. 1st pref.	6	6.52	92	90	91¾	92½	624	94	88½
Do. 2nd pref.	60c	2.66	23	21½	21½	23	2155	25	19
Canadian Salt	8	4.77	..	...	...	...	...	170	154
Christie Br., c. (n.p.)	$1.20	1.41	..	...	...	...	...	131½	79½
Cuban Can. Sugar, c.	.	...	2	2	2	2	10	3½	1½
Do. pref.	.	...	...	...	...	...	...	30	23
City Dairy, c. (n.p.)	$2	3.57	56½	55	56	56	1151	60	44⅜
Do. pref.	7	5.56	125¾	125¾	125¾	125	1	130	121
Dom. Stores (n.p.)	$3	2.26	..	...	...	...	...	137	104½
Fanny Farmer	$1	2.85	..	...	...	...	...	41	35
Ham. Dairies, c. (n.p.)	.	...	44	44	44	41	15	50	35
Do. pref.	7	6.82	102½	102½	102½	102½	13	106	102
Hunts, Ltd., c. (n.p.)	$1	2.56	..	...	...	...	...	46	37
Do. pref.	7	6.93	101	100	101	100	6	102	98¼
Inter. Milling, pref.	7	6.36	110	110	110	111	20	111	107½
L. of Woods, c. (n.p.)	$3.20	5.71	57	54	55	57½	1896	61¾	51
Do. pref.	7	5.73	...	...	...	...	...	125	120
L. Secord, c. (n.p.)	.	...	43½	42½	43½	44½	130	48	37
Do. pref.	7	5.17	135	135	135	135¼	2	145	121
Loblaw, c. (n.p.)	$2	2.29	89½	87	88	89	306	118	75
Do. pref.	7	5.14	136	135	135¼	135	34	175	133
Maple Leaf Mill, c.	.	...	105	105	105	105	95	128⅝	100
Do. pref.	7	6.25	115	112	112	112	40	115	103
Muirheads, c. (n.p.)	60c	7.50	9	8	9	8	110	16½	8
Do. pref. (p. $10)	75c	5.76	..	...	...	13	...	17½	13
Do. Rights	.	...	26	5	8½	8	785	45	5
Nat. Grocers, pref.	8	8.20	97½	97	97	97	17	100	97
Ogilvie Fl., c. (n.p.)	$5	1.25	400	395	395	410	50	425	385
Do. pref.	7	5.38	130	130	130	130	5	143	130
Pure Gold Mfg. (n.p.)	$2	6.66	30	29½	29⅞	28	70	30	22
Shred. W., c. (n.p.)	$3	4.70	64	63	63¼	62¾	200	78⅞	62½
Stanfords, c. (n.p.)	$1	8.33	13	12	12	10	55	27¼	10
Do. pref.	7	7.69	91½	91½	91½	94	20	96½	91
St. Law. Flour, c.	.	...	..	...	...	...	...	52¼	35
Do. pref.	7	7.29	..	...	...	...	...	96	95
Viau Bisc., c. (n.p.)	.	...	22	21	22	22	175	33	15
Do. pref.	7	8.04	..	...	...	...	...	89	84
W. Can. Fl., c. (n.p.)	$1.40	3.70	..	...	...	...	...	50	31½
Do. pref.	6½	6.22	105	105	105	104½	5	109⅝	104
W. Groc., c. (n.p.)	$1	4.15	24	22	20	23	28	25	19
Do. pref.	7	8.14	...	...	...	...	...	86	75
Weston, com.	.	...	67	66	67	67	35	68	48
Do. pref.	7	6.86	102	102	102	102	17	104	100
Utilities—									
Bell Telephone	8	4.84	166	162	164⅞	164	507	175	154
Calgary Power	5	4.46	..	...	...	...	...	112	100
Consumers Gas	10	4.95	203	201	202	202	85	210	196
East Koot. Pr. (n.p.)	.	...	..	...	...	...	...	27	25
Do. pref.	7	6.96	..	...	...	...	...	100½	98
Int. Util. (A) (n.p.)	$3.50	7.60	47	45	46¼	47	725	51½	44
Do. (B) (n.p.)	.	...	16	15½	16	16	910	19½	6½
Jamaica Pub. Ser., pf.	7	6.25	..	...	...	...	...	115	105
Laurentide Power	5	1.98	..	...	...	...	...	275	130
Mackay, com.	7	5.83	..	...	...	...	...	133	109½
Do. pref.	4	5.26	76	76	76	76	5	83	66
Mexican Light, c.	.	...	90	90	96	90	1	112	61½
Do. pref.	7	8.91	..	...	...	...	...	80	77
Mont L H & P (n.p.)	$2	1.90	108	105	106	108	3878	120	89
Mont. Teleg. (p. $40)	8	5.81	54¼	54¼	54¼	54¼	8	56½	53¼
Nor. Mex. Pr., c.	4	4.54	91	88	88	93½	280	110	80
Do. pref.	7	6.93	..	...	...	...	...	105	97
Ot. & Hull P., c. (n.p.)	.	...	..	...	...	...	...	70	35
Ott. L. H. & Pr., c.	6	4.58	..	...	...	...	...	136	128½
Do. pref.	6½	6.13	106	106	106	106	7	109	103½
Power Corp., c. (n.p.)	.	...	74¼	70	72	74½	3743	98	65½
Do. pref.	6	5.87	102⅛	102	102	102	164	103½	99
Quebec Power, c.	$2	2.24	92	86	88	92¼	1998	115	82
Shawinigan (n.p.)	$2	2.12	95	91	92	95	6304	109¾	84
S. Can. Pr., c. (n.p.)	4	2.74	146	145	145	148	32	180	114
Do. pref.	6	5.54	108¼	107½	108¼	108½	53	109½	100
West Koot. Pr., pref.	7	...	..	...	...	...	...	106½	106½
Transportation—									
Can. Pacific Rly.	10	4.96	204	201½	201½	207½	142	221	198
Can. Steam., c. (n.p.)	.	...	38	37	37	39	272	47½	31
Do. pref.	6	6.28	96	95	95⅛	96	664	98½	89
Do. Voting	.	...	37	37	37	35	45	45	31
Tractions—									
Barcelona (par $50)	$1	...	..	...	...	...	...	78	60
Brazilian, c. (n.p.)	$1.76	3.08	59	55	56½	59	33904	64½	50½
Do. pref.	6	3.00	..	...	...	...	...	220	160
Detroit Un. Rly.	.	...	1	1	1	1	10	2½	1
Duluth-Superior	.	...	8¼	8¼	8¼	8¼	5	22	7
Montreal Trams.	10	5.00	..	...	...	...	...	212	190
Ottawa Traction	.	...	72	70	70	72	585	73	60
Porto Rico Rlys., c.	$3	...	..	...	...	...	...	x70⅜	59
Do. pref.	7	6.93	..	...	...	...	...	101	97
Twin City, c.	4	8.88	45½	44¾	45	45½	580	55	42
Do. pref.	7	6.79	..	...	...	...	...	106	102¾
Winnipeg Elec., c.	2	1.81	117	108½	116	116½	6162	128¾	98
Do. pref.	7	6.36	110	109¼	109½	110	113	115	105½
Textiles—									
Can. Conn. Cot., pref.	4	5.00	80	80	80	...	10	88	66
Can. Converters	7	6.54	106	105	106	109	70	127	101
Can. Cotton, com.	8	6.66	..	...	...	...	...	152	120
Do. pref.	6	5.94	101	100	101	101	35	104½	98½
Can. Woollens, com.	.	...	15	15	15	15	55	25	10
Do. pref.	.	...	...	...	...	...	...	89¼	72
Cosmos Imp., c. (n.p.)	.	...	22½	22½	22½	20½	20	27½	17
Do. pref.	7	7.03	99½	99½	99½	99	15	101	97
Dom. Tex., c. (n.p.)	$5	4.71	107	106	106	110	170	134½	103¾
Do. pref.	7	5.64	..	...	...	...	...	131	118
Monarch Knit, c.	.	...	...	...	...	...	...	x39½	7½
Do. pref.	.	...	60	60	60	60	20	70	45¾
Montreal Cottons, c.	6	5.21	..	...	...	...	...	128	115
Do. pref.	7	5.83	..	...	...	...	...	125	118
Penmans, c. (n.p.)	4	3.81	108	105	105	105	62	117⅞	97½
Do. pref.	6	5.68	..	...	...	...	...	106½	100
Wabasso Cot. (n.p.)	6	5.71	..	...	...	...	...	133	105
Zimmerknit (n.p.)	.	...	20	19	20	20	9	30	18
Do. pref.	7	7.50	93½	91½	93½	93	66	94½	91
General Industries—									
Am. Sales, c. (p. $25)	4	5.12	78	78	78	78	68	82	71
Do. pref.	7	6.36	110	110	110	110	16	112	105
Asbestos Co., c. (n.p.)	.	...	32½	30	30	32¾	1025	39¼	29
Do. pref.	7	7.60	93¼	91½	92¼	92	218	97⅞	90
Brant. Cd., c. (p. $25)	8	10.52	19	19	19	19	75	21	14
Building Prod., com.	$1.20	3.42	38½	34	34	36	570	47	32½
Do. pref.	7	6.66	105	105	105	105	11	106	102½
Burt, F. N., c. (p. $25)	$3	4.41	68	68	68	68	190	76	63
Canada Cement, c.	.	...	31	29¾	30	30½	2008	35¾	25
Do. pref.	6½	6.51	100	99	99½	100	611	101¼	97½
Can. Bronze, c. (n.p.)	$4	4.59	90	87	87	90½	320	93⅞	67
Do. pref.	7	6.33	110½	110½	110½	110½	25	111½	109½
Can. Dredge, c. (n.p.)	.	...	55	47	49	45	897	55	31
Do. pref.	7	4.66	153	148	148	138	65	153	108
Conduits, c. (n.p.) N.	.	...	..	...	...	...	...	15	15
Do. pref.	7	6.89	101½	101½	101½	102	1	102	101
C. Smelt. (p. $25)	10+40	5.00	259½	250	250¼	259	3282	289½	251
Crow's Nest Coal	6	10.34	..	...	...	...	...	62	55
Dom. Glass, c.	7	5.38	133	129	130	136	80	144	125
Do. pref.	7	5.78	..	...	...	...	...	128	119
Dom. Rubber, pref.	7	7.00	..	...	...	...	...	100	99
E. Theat. (p. $25)	$2	7.14	28	27	28	27	14	30¾	25
Do. pref.	7	7.36	95	95	95	94	60	100	94
Fam. Play., c. (new)	.	...	23	22	23	21	27	24	21
Do. pref.	8	7.58	..	...	...	...	...	106	102
Gilman, com.	6	5.21	..	...	...	...	...	120	109
Do. pref.	7	5.60	125	125	125	122	15	130	118
Goodyear Tire, com.	$5	3.44	148	135	140	150	207	168	128½
Do. pref.	7	6.54	108½	106¾	108	108½	80	110	104
Gypsum & Alabas., c.	$3	4.34	69½	67	67	70	450	73	51
Ham. Un. Theatres, c.	.	...	14½	13¾	13¾	14½	235	21½	7
Do. pref.	7	7.60	92	92	92	90	30	97½	82
Holt, Renfrew, c.	$3	2.72	110	110	110	110	75	120	80
Do. pref.	7	7.00	..	...	...	...	...	100	92
Int. Nic., c. (p. $25)	$2	2.24	95½	88⅛	89	95¾	88032	103¾	73¾
King Edward Hotel	$6	9.23	62	62	62	65	10	70	50
Lyall Construc. (new)	$3	4.31	73½	68	69	74	2715	76	55
Loew's, com.	.	...	..	...	...	...	...	40	30
Do. pref.	7	7.00	..	...	...	...	...	102	100
National Brick, com.	.	...	..	...	...	...	...	9	4
Do. pref.	6	9.09	69	66	66	66	16	75	60
Pacific Burt, com.	6	5.12	..	...	...	...	...	137	110
Do. pref.	7	5.69	123	122	123	125	15	136	120
Photo Engrav. (n.p.)	$2	5.79	38	34½	38	34½	217	41¼	33
Port Hope San., com.	4+2	...	..	...	...	...	...	265	190
Do. pref.	7	4.24	..	...	...	...	...	195	120
Rogers, Wm., com.	4	5.71	70	70	70	70	10	75	65
Do. pref.	7	6.60	106	105	105	106	71	106	100
Sher-Williams, com.	6	3.75	160	160	160	168	5	181	160
Do. pref.	7	5.46	..	...	...	...	...	129	120
Simon & S., c. (n.p.)	.	...	36¾	36	36	36¾	190	45	35
Do. pref.	7	7.03	99½	99½	99½	101	10	101¾	99½
Standard Chem., com.	$2	6.34	30	27	27	31½	71	34	24
Sterling Coal	.	...	..	...	...	...	...	19	15
Tooke Bros., com.	.	...	..	...	...	...	...	20	15
Do. pref.	7	9.72	72	70	72	70	12	78	67
Tuckett Tobacco, c.	4	3.63	110	110	110	110	10	110	98
Do. pref.	7	5.83	120	120	120	120	25	121	114
Woods Mfg., com.	.	...	30	30	30	30	15	38	30
Do. pref.	7	8.75	..	...	...	...	...	80	70
Beverage—									
Brading Brew. (n.p.)	$2	7.01	28¼	28¼	28¼	28	85	32	26½
Brew. & Dist. (n.p.)	40c	...	16	16	16	16	40	20	14
Can. Brew. (n.p.)	$2	6.15	33¾	32	32	34	575	40	29
Canada Dry (n.p.)	$3	4.02	76	73½	73½	76½	985	87	63¾
Do. Rights	.	...	1.50	1.00	1.00	1.50	1659	2.00	1.00
C. Ind. Alc. (n.p.)	$1.52	3.57	43⅞	41	41⅞	44¼	6297	50½	31½
Do. (B)	.	...	40	36	36	41½	759	47½	36
Can. Malting (n.p.)	$1.50	4.28	36¼	33	34½	35¾	1759	43½	31¾
Can. Wineries	.	...	17	16¼	16½	16½	350	23	14
Carling Brew. (n.p.)	$2	6.50	33	29	30	32	1680	44	28½
Com. Alc. (n.p.)	$1	4.04	24¾	24¾	24¾	25½	10	55½	19¾
Cosgrave B. (p. $10)	6	8.00	8	7½	8	7½	665	10½	7½
Distil-Seagram (n.p.)	.	...	18½	17½	18	18½	1520	24½	16½
Federal Distil. (n.p.)	.	...	2⅞	2½	2⅞	2¾	570	5½	2½
Chas. Gurd, c. (n.p.)	$2	2.29	88¼	85½	87	87½	374	114	81
Do. pref.	7	6.36	110	110	110	110	22	110	106
Hiram Walker (n.p.)	$2	3.50	59⅝	56	56¾	59¾	5465	69	54
L. Ont. Brew. (n.p.)	.	...	11	10½	10½	10½	60	30	10
Nat. Brew., c. (n.p.)	4	3.16	130	125	126½	131½	7170	140	112½
Do. pref.	7	5.38	..	...	...	...	...	130	122
Nat. Distilleries	.	...	15	15	15	15	995	20¾	10
Orange Cr., c. (n.p.)	.	...	20	20	20	20	52	25¾	20
Do. pref. (A)	7	6.73	104	104	104	104	12	106	102½
Do. pref. (B) (n.p.)	$2	4.54	46¾	43¼	43¼	46	105	51	43¼
Pelissiers (n.p.)	.	...	16	15½	15½	15½	80	18½	13
Do. pref.	7	7.00	..	...	...	...	...	103	100
Toronto Brew. (n.p.)	.	...	9	9	9	9	10	10½	9
Oil—									
Ajax			.62	.55	.60	.62	38450	1.00	.43
Peacon Oil	.	...	..	...	...	...	...	20	13¼
Brit. Am. Oil (n.p.)	$1	2.63	39	37	37¾	38½	7399	42¼	31¾
Can. Oil, c. (n.p.)	$1	1.96	52	50	50	52¼	355	68½	44
Do. pref.	8	6.06	132	132	132	135	5	170	128
Continental Oil	.	...	..	...	...	...	...	22	17
Foothills Oil	.	...	4.75	3.75	3.75	4.50	968	6.35	1.50
Home Oil	.	...	3.25	2.83	3.25	2.80	5675	4.00	2.15
Imperial Oil (n.p.)	$1.50	2.24	68	65	66	67¾	7084	72½	56
Int. Pete. (n.p.)	75c	1.78	40	38	39	40	4237	44⅞	34½
McColl, c. (n.p.)	.	...	31	28	29¾	31	5061	36	28
Do. pref.	6	6.90	87	87	87	86½	35	96	85
North Star, c. (p. $5)	.	...	..	...	...	...	...	5.00	2.25
Do. pref. (p. $5)	.	...	..	...	...	...	...	6.50	5.00
Petrol Oil	.	...	..	...	...	...	...	21⅞	14
Super Pet., c. (new)	.	...	33	30	32	32¾	457	39	30
Do. Voting Trust	.	...	..	...	...	...	...	38	35½
Do. pref.	7	7.00	..	...	...	...	...	105	97
Trojan Oil	.	...	1.96	1.76	1.96	2.00	5800	2.50	1.00
Volcanic Oil	$1.45	...	38	37¾	37¾	38	175	41	29
Vacuum Gas	.	...	8¼	4	8¼	8	5000	12½	5½
Super. Pet. Rights	.	...	50	50	50	...	222	50	50
Trust and Loan—									
Can. Permanent	12	4.87	246	246	246	246	21	251	230½
Central Canada	12+6	...	..	...	...	...	...	255⅛	255⅛
Col. Invest. (p. $10)	.	...	..	...	...	...	...	5	4
Econ. Invest. (p. $50)	4	3.57	56	55½	55½	56½	180	61	55½
Huron & Erie	8	4.70	..	...	...	...	...	170	152
Landed Banking	10	4.92	..	...	...	...	...	205	200
Mont. Loan (p. $25)	12+1	6.56	..	...	...	...	...	49½	48
National Trust	12+1	3.64	..	...	...	...	...	370	305
Ont. Loan (p. $50)	12	4.28	140	140	140	135	5	140	128
Real Estate Loan	7	6.08	..	...	...	...	...	115	110
Toronto Gen. Trusts	12	4.25	..	...	...	...	...	300	275
Toronto Mtge. (p. $50)	12	4.87	..	...	...	...	...	123	114
Union Trust	7+1	5.51	..	...	...	...	...	150	135
CURB AND UNLISTED MARKETS									
Asch, com. (n.p.)	.	...	..	...	...	...	...	30	22
Do. pref.	7	8.04	..	...	...	...	...	93	87
Attendu Eng. (p. $1)	.	...	12	10	11	13	275	21	10
Belding, com.	7	6.36	..	...	...	...	...	110	80
Do. pref.	7	6.36	..	...	...	...	...	110	94
Can. Celanese (n.p.)	.	...	56	53	53	56	245	78	53
Do. pref.	.	...	86	84½	85	85	65	103½	83
Can. Vickers (n.p.)	.	...	38	38	38	38¼	37	49⅛	33
Do. pref.	7	7.36	96	93	95	94	75	96½	93
Can. Power	.	...	..	...	...	...	...	54¾	33
Can. Light & Power	.	...	..	...	...	...	...	49	39
Can. Marconi	.	...	..	...	...	...	...	8¾	6¼
Can. Nor. P., c. (n.p.)	.	...	..	...	...	...	...	90	65
Do. pref.	7	6.54	107	106	107	107	49	107½	100
Can. Vinegar	.	...	27¼	27	27	27	480	27½	27
Cockshutt, com.	.	...	27	24¾	25	27	4309	31½	24½
Do. pref.	.	...	..	...	...	...	...	143½	105¾
Cons. Food Products	.	...	9	7	9	8	446	14½	5
Cons. Sand, c. (n.p.)	.	...	12	11	11	...	165	12	11
Do. pref.	.	...	89	88	88	89	85	90	88
Cooksville Sh. Brick, c.	.	...	..	...	...	...	...	14	14
Do. pref.	4	...	..	...	...	...	...	60	55
Dom. Engineering	$3	3.75	80	79	79	82	140	84	52
Dom. Fdy. & Steel, c.	.	...	..	...	...	...	...	20	5
Do. pref.	.	...	..	...	...	...	...	42	32
Dom. Power, c.	.	...	..	...	...	...	...	66	45
Do. pref.	7	6.57	..	...	...	...	...	106⅜	105
Donnacona Paper	.	...	27½	27½	27½	30	25	47	25
Dryden Paper (n.p.)	.	...	45	40	41	43½	3308	56	33
Durant Motor (p. $10)	40c	4.84	8¼	7	7¾	7¾	458	10¼	6
E. Dairies, c. (n.p.)	.	...	44	44	44	45½	20	60¾	42
Do. pref.	7	6.86	..	...	...	...	...	102	99
Eng. Elec., c. (n.p.)	.	...	23½	23½	23½	23	25	31	11
Do. pref.	.	...	98	94	96	95	106	112	75
Farm. Dairy, c.	50c	2.12	24	23	23	23¾	175	27	17
Do. pref.	7	6.36	..	...	...	...	...	110	105
For. Pr. Secs. (n.p.)	.	...	43¼	40	40	45	672	56¼	38½
Freiman, c. (n.p.)	.	...	..	...	...	...	...	20	19¾
Do. pref.	6	6.66	..	...	...	...	...	90	90
Gen. St. Wares (n.p.)	.	...	31½	29½	30	31¼	835	38¾	28½
Do. pref.	7	6.86	..	...	...	...	...	102	101
Gt. W. Sad., c. (n.p.)	.	...	22¾	22	22½	22¾	80	29½	21
Do. pref.	6½	6.77	96¼	96	96	96	8	99¾	96
Hamilton Cot., pref.	$2	5.97	34	33⅜	33½	34	160	39	32½
Hinde & Dauch (n.p.)	$1	3.70	27	27	27	27	70	33	27
Hydro-Electric (n.p.)	.	...	36	32	34½	38	3605	85	32
Illinois Power, pref.	7	6.73	..	...	...	...	...	106	99¼
Imp. Tob., c. (p. $5)	6+2	3.72	10⅞	10⅜	10½	10¾	7087	11⅜	8⅛
Inter. Power, com.	.	...	37	32	32	36	105	43¼	32
Do. pref.	7	7.00	100	97	97	98	105	101⅛	95½
Kemsley Millburn	.	...	..	...	...	...	...	20	15⅝
Loew's London, com.	3	...	..	...	...	...	...	5¾	4
Man. Power (n.p.)	$2	2.10	100	90	91	99	292	123½	83
Mercury Mills (n.p.)	.	...	40½	40	40	41	27	41	35
Do. pref.	6	6.66	90	90	90	90	40	96	90
Mitchell, J. S.	.	...	50¾	50½	50¾	51	25	55	38
Do. pref.	7	6.79	..	...	...	...	...	105	99½
Mitchell, Robt. (n.p.)	.	...	28	28	28	28	15	40½	27
Do. pref.	7	6.54	107	106	106	106	10	110	95
Montreal Ex. (p. $30)	.	...	22	22	22	24	25	36	23½
Mount Royal, com.	.	...	..	...	...	...	...	x6	3
Do. pref.	6	...	..	...	...	...	...	52	50
Municipal Ser. (n.p.)	.	...	12½	10	10½	12	374	17	8
Ott. Riv. Pr. (n.p.)	.	...	..	...	...	...	...	38	25
North Bak. (n.p.)	$2	4.81	43½	40½	41	43	1330	54	38
N.S. Car, c. (n.p.)	.	...	40⅞	37	39	37½	1566	49	36½
Paton Mfg., c. (n.p.)	.	...	..	...	...	...	...	68	55
Do. pref.	.	...	..	...	...	...	...	103	102
Perfection Glass	.	...	3	2½	2¾	2⅝	220	8¾	2
Regent Knitting	.	...	22	20	20	24	70	33	20
Reliance Grain (n.p.)	.	...	48½	46	46	46	146	55	38
R.S. Mills (n.p.)	$2	6.06	35	33	33	34½	210	39	30¾
Robinson Cone (n.p.)	.	...	25	24	24	25	75	34½	24
E. L. Ruddy, pref.	7	7.00	..	...	...	...	...	102	97½
Service Stn. Equip.	$1.60	4.33	38	36⅞	37	38½	655	48	33¾
Simpson, Robt., pref.	6	5.70	105¼	105¼	105¼	105¼	4	105¼	102
Sprucolite (n.p.)	.	...	43	43	43	45	5	59	40½
Standard Clay	.	...	..	...	...	...	...	34½	33
Standard Pav. (n.p.)	.	...	28¼	27	27	28⅜	1300	29¼	24½
Tamblyn, c. (n.p.)	.	...	29½	29	29¼	32	65	36¼	21
Do. pref.	7	7.29	96	95	96	96¼	35	97	90
Tip Top Tailors (n.p.)	.	...	30	30	30	30	265	32¼	30
Do. pref.	7	7.10	98½	98	98½	99	95	100	98
United Fuel, c. (n.p.)	.	...	29	27	27	29½	103	36	25
Do. pref.	6	6.85	88½	87½	88	89	380	93	87½
United Secs., com.	.	...	..	...	...	...	...	64½	50
Do. pref.	6	5.76	104	104	104	104	120	105	100
Waterloo Mfg.	.	...	17⅛	17	17	17	305	20	16

†Arrears.

xQuotations for 1927. No sales recorded in 1928 to date.

Bond Movements of the Week

Week Ending July 17

Bonds	Int. Rate	Due	Yield	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low	Ask	Latest Price Bid	High	Low
Asbestos, gen. mge.	6	1956	6.15	98	88	98	97	98⅛	97½	98	..
Can. Pr. & Pap. debs.	5½	1956	6.18	..	..	99½	91	92	91	91	..
Cedar Rapids	5	1953	4.81	101⅞	96⅝	105¾	102⅝	..	102⅝	102⅝	..
Dom. Canners	6	1940	5.58	..	..	104	104	106	104	104	..
Dom. Coal	5	1940	5.05	94¾	90	99½	95	..	98	99½	95
Dom. Iron	5	1929	8.18	93¾	69	98⅛	94	..	97	97	..
Montreal Tram. 1st mtge.	5	1941	4.88	101	96⅜	103¼	99	100¾	99	101⅛	..
Do. gen. mtge. A	5	1955	5.06	100	94	101¼	98½	..	99	99	..
Quebec City	5	1939	4.45	101½	96	104¾	100¼	104¾	..	104¾	..
War Loan	5	1931	4.35	102.70	101.00	102.85	101.55	102.15	101.60	102.00	101.45
Do.	5	1937	4.38	106.95	102.95	106.70	104.00	104.75	104.45	104.45	104.30
Victory Loan	5½	1933	4.75	106.90	103.05	106.50	103.00	103.55	103.30	103.65	103.00
Do.	5½	1934	4.91	105.75	102.80	105.85	102.15	102.90	102.85	103.00	102.60
Do.	5½	1937	4.30	111.15	106.85	110.95	107.80	108.65	108.60	108.75	108.25
Do., Refund	5	1928	5.00	101.50	99.75	100.60	99.63	100.30	99.80	99.80	....
Do.	4½	1940	4.52	103.40	96.50	102.90	99.05	99.70	98.95	99.75	99.05
Do.	5	1943	4.55	106.40	102.30	106.10	103.60	104.20	103.55	104.85	103.70
Do.	4½	1944	4.45	103.00	96.60	103.05	99.00	100.20	99.60	99.10	99.00
Do.	4½	1946	4.40	102.70	96.70	103.15	100.15	101.30	100.35	....	....
Do. Renewal	5½	1932	4.90	104.40	101.85	105.80	101.40	102.25	101.90	101.90	101.50

A.J.Pattison, Jr. & Co.
LIMITED
INVESTMENT BANKERS
BONDS AND SHARES
"Specialists Unlisted Bonds and Stocks"
219 Bay Street, (Ground Floor) Toronto
Elgin 8101-8102-8103
8104-8105-8106

Unlisted Stocks

These approximate prices are mostly as at July 16, and as most transactions in unlisted stocks are the result of personal negotiations, these figures cannot be guaranteed.

Industrial Stocks

	Bid	Asked
A. W. Chase, com.	$ 2.00	$ 5.00
A. W. Chase, pref.	55.00	59.00
Border Cities, pfd. bonus c.	....	24.00
Brandram-Henderson, com.	27.00	31.00
Brandram-Henderson, pref.	86.00	91.00
Canadian Westinghouse	241.00	....
Canada Machinery, com.	6.00	9.00
Canada Machinery, pref.	29.00	33.00
Can. Paperboard, pref.	90.00	95.00
Caulfields Dairy, com.	20.00	25.00
Copeland Flour Mills, pref.	20.00	....
Dom. Alloy, pf. bonus com.	....	2.00
Dom. Foundries & Steel, c.	12.00	19.00
Dom. Foundries & Steel, pf.	52.00	55.00
Dom. Linens, pref.	16.50	....
Dom. Manufacturers, com.	6.25	....
Dom. Manufacturers, pref.	71.00	....
Dom. Power, com.	....	50.00
Dom. Power, pref.	105.00	....
Dom. Sewer Pipe, com.	63.00	65.00
Dom. Sugar, com.	29.50	....
Dom. Sugar, pref.	96.50	....
Dunlop Tire, pref	101.00	....
Gillett, E. W.	84.00	....
Goodyear Cotton, 7% pref.	101.50	104.00
Guardian Realty, pref.	60.00	67.50
Harding Carpet, com.	22.00	....
Honey Dew, com.	27.00	....
Honey Dew, pref.	....	89.50
Huethers Brewing, pref.	....	2.75
King Edward Hotel "A"	86.50	89.00
King Edward Hotel, "B"	83.50	85.00
Kingston Shipbuilding, pf.	17.00	20.00
Loew's London, com.	4.50	5.50
Loew's London, pref.	8.00	9.50
Loew's Mansfield, pref.	91.00	....
Milton Brick Co.	16.00	....
Palace Thea. (Mont.) pfd.	95.00	....
Simpson, Robt., pref.	104.50	....
Traymore, pref	19.00	21.00

Insurance

	Bid	Asked
British America	55	..
Canadian Fire, full pd.	125	135
Canada Life	975	1000
Canada National	15	..
Casualty of Canada, full pd.	190	200
Capital Life, 20% pd.	26	..
Continental Life, 10% pd.	88	..
Commonwealth Life, 10% pd.	32	37
Commercial Life, 10% paid	20.00	25.00
Confederation Life, 10% pd.	120	..
Crown Life, full paid	335	..
Dom. of Can. Guar. & Ac.	375	400
Dominion Fire	140	...
Dominion Life, 50% pd.	440	..
Excelsior Life, 30% pd.	125	..
Federal Fire, 25% paid	42	...
Fidelity of Canada, full paid	145	..
Great West, full paid	590	...
Imperial Life, 90% paid	435	..
Manufacturers Life, 55% pd.	400	450
Monarch Life, 10% paid	47	51
Montreal Life, 20% paid	77	85
National Life, 25% paid	95	105
Ontario Equitable, 10% paid	40	44
Security Life, 50% paid	25	...
Sovereign Life, 25% paid	50	58
Sun Life, 75% paid	2300	2400
Toronto Casualty	..	26
Western Assurance	75	80

Mortgage, Loan, Etc.

	Bid	Asked
British Mortgage & Trust	$207.00	$ ....
Capital Trust	69.00	....
Chartered Trust	105.00	108.00
Commercial Finance, com.	22.00	....
Commercial Finance, pfd.	77.00	....
Crown Trust	135.00	....
Debentures & Sec., com.	73.00	....
Debentures & Secs., pref.	73.00	....
Guelph & Ont. Invest.	130.00	....
Lambton Loan & Savings	79.00	....
London Loan & Savings	48.00	....
London & West Trusts	150.00	....
Mfg. Fn. pfd. bonus c.	2.50	4.50
Midland Loan & Savings	17.00	....
Mortgage Discount, pref.	6.75	7.50
Mortgage Discount, com	.40	.80
Mutual Finance, com.	8.00	....
Mutual Finance, pref.	8.00	....
Saskatchewan Mortgage	41.00	....
Peoples Loan & Savings	82.00	....
Sterling Trust Co.	102.00	....
Toronto Finance, pref.	2.00	4.00
Waterloo Trust & Savings	120.00	....

Club Shares

	Bid	Asked
Bayview Golf	$ 25.00	$ 35.00
Lakeview Golf	50.00	70.00
Lambton Golf	....	400.00
Mississauga Golf	20.00	40.00
Rosedale Golf	160.00	....
Summit Golf	25.00	40.00
Thistledown Golf	45.00	65.00
Thornhill Golf	65.00	80.00
Weston Golf	80.00	100.00
York Downs Golf	250.00	285.00

Recent London Quotations

	Sales
Calgary Power	117½.
Hudson's Bay	121s.
Hudson's Bay 5% pref.	97s. 6d.
Can. West Lumber	5s. 10½d.
Standard Chemical, 7%	31½
Dominion Tar	51s.
Mond Nickel	197s.
Lake Superior	6

Recent Vancouver Quotations

	Bid	Asked
B. C. Telephone, pfd., new 6%	104½	..
Pacific Coyle, com.	10½	13
Gosse Packing, pref.	....	80

Recent Winnipeg Quotations

	Bid	Asked
Beaver Fire Co.	120	..
Can. Fire Ins. Co.	110	..
Home Invest. and S. Assn.	76	78¼
N. Mtge., fully paid	80	..
N. Mtge. 50% paid	25	..
Northern Trusts Co.	50	..
Standard Trusts Co.	33	..
No. Star Oil, com.	4.90	..
No. Star Oil, pref.	...	5.55

Unlisted Bonds

	Bid	Asked
Acadia Sugar, 6s, 1946	94	97
Alberta Pac. Grain 6s, 1946	100	100¾
Algoma Steel, 5s, 1962	55¾	57½
Bell Telephone, 5s, 1955	102½	103½
Belgo Can. Paper, 6s, 1943	102¼	104
Brandram-Henderson, 6s, 1939	90	93
B. C. Pulp and Paper, 6s, 1950	90½	93
Calgary Brewery, 5s, 1942	98	99
Calgary Power, 5s, 1940	95	96¼
Canada Biscuit, 6½s, 1946	97	...
Canada Lt. & Pr. 5s, 1949	93	94
Can. Nor. Power, 6s, 1941	104¾	...
Can. Paperboard, 7s, 1937	96½	98½
Can. Steamships, 5s, 1943	101⅝	102⅛
Can. Steamships, 6s, 1941	101¼	102
Davies, Wm. 6s, 1942	96¾	98
Dominion Iron, 5s, 1939	73	75
Duke Price, 6s, 1966	105	106
East Kootenay Pr., 7s, 1942	104¾	105¾
Elec. Development, 5s, 1933	99¾	101
Fraser Cos., 6s, 1950	100½	102½
Gatineau Power, 5s, 1956	98¼	99¼
King Edward Hotel, 7s, 1944	96¾	98¼
Lake Superior P. & P. 6s, 1941	107	108½
Laurentian Pr., 6s, 1936	108¼	...
Laurentide Pr., 5½s, 1946	100½	101½
Manitoba Pr., 5½s, 1951	101	102½
Mont. L. H. & Pr., 5s, 1951	101	101½
Mont. Pub. Service, 5s, 1942	99	100¼
Nor. West. Utilities, 7s, 1938	102	105
Nova Scotia Steel, 5s, 1959	73½	75½
Nova Scotia, 6% Debs.	42	46
Ont. Pulp & Paper, 6s, 1931	108	111
Ottawa Hull Pr., 6s, 1948	102¼	103¼
Ottawa L. H. & P., 5s, 1957	99¼	100½
Ottawa Trac., 5½s, 1955	102	103
Port Alfred P. & P., 5½s, 1957	97½	99¾
Price Bros., 6s, 1943	105	106
Prov. Lt. Pr., 5s, 1946	101	101¾
Rio Tramways, 5s, 1935	96¾	97¾
Sao Paulo Tram., 5s, 1929	98¾	100¼
St. Maurice Valley, 5½s, 1957	98	99¾
Shawinigan W.&P. 4½s, 1967	95	96
Simpsons, Ltd., 6½s, 1945	103	104¼
Southern Can. Pr., 5s, 1955	99	100½
West Kootenay Pr., 6s, 1943	104	105½

NEW YORK CURB

	Close July 3	Close July 11	Close July 18
Can. Marconi	6 3-8	6 3-4	6 7-8
Ford Canada	550	556	535
Imp. Oil Can.	66 3-4	65 1-4	65 1-4
Inter. Pete.	39 1-4	38 1-4	38 1-2
Int. Util. "B"	16 7-8	15 1-2	16 5-8
Nipissing	3 7-8	3 3-4	3 5-8
Noranda	49 1-4	51 1-4	53
Premier Gold	2 3-8	....	2 3-8

Tobacco Outlook Better

The revised estimated acreage planted to tobacco in British Columbia, is as follows: Sumas 80 acres, Kelowna 30, Vernon 10, Summerland 8, Peachland 6, Oliver 5, Okanagan Centre 1½, Kamloops ½ and Grand Forks ¼ acre. The class of seedling plants this season as compared with last is said to be of much better quality, being sturdier, earlier and more vigorous plants, and this, combined with the cool, showery weather at the time of transplanting, has produced an excellent stand of plants in most instances.

CPTCo
Your Summer Vacation
can be made free from worry in regard to business which might otherwise be neglected, by appointing this Company to act as your Agent during your absence. We will be pleased to be commissioned to collect your rentals, or other moneys, make payments of taxes, etc., submitting statement of all transactions.
Correspondence and enquiries invited.
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E. R. C. Clarkson
1st Vice-President
George H. Smith
2nd Vice-President & General Manager
Col. A. E. Gooderham
F. Gordon Osler
William Mulock, K.C.
William Stone
George W. Allan, K.C.
Winnipeg, Man.
A. B. Campbell, W.S.
Edinburgh, Scotland
Norman Mackenzie, K.C.
Regina, Sask.
THE CANADA PERMANENT TRUST Co.
Paid-up Capital One Million Dollars
HEAD OFFICE; CANADA PERMANENT BLDG. TORONTO
Manager Ontario Branch: A. E. Hessin
Branch Offices: Toronto, Halifax, St. John (N.B.), Woodstock (Ont.), Brantford (Ont.), Winnipeg, Regina, Edmonton, Vancouver and Victoria
32

Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low (Premium)	Last year High (Premium)	Last year Low (Premium)
July 12	17-64	1-4	9-64	1-8
July 13	17-64	1-4	9-64	1-8
July 14	9-32	9-32	1-8	1-8
July 16	5-16	9-32	1-8	1-8
July 17	3-8	9-32	9-64	1-8
July 18	31-64	3-8	5-32	9-64

STERLING, FRANCS and LIRE

	Sterling Close	Francs Close	Lire Close
July 12	4.85 15-16	3.91 1-8	5.23 7-8
July 13	4.85 13-16	3.91 1-16	5.23 7-8
July 14	4.85 13-16	3.91 1-8	5.23 7-8
July 16	4.85 3-4	3.91 1-8	5.23 7-8
July 17	4.85 7-8	3.91 1-4	5.23 3-4
July 18	4.86 3-16	3.91 3-8	5.24

FOREIGN EXCHANGE

Par		July 11	July 18
19.30	Italian	5.25	5.27
23.80	German	23.92	23.98
13.94	Belgian	14.00	14.00
49.80	Japanese	46.37	45.80

Corrugated Box Operates Plants at Capacity

A recently formed industrial corporation which is said to be making substantial progress is the Corrugated Paper Box Co., Ltd. In May of this year new financing in connection with the amalgamation of the old Corrugated Paper Box Co. and a Winnipeg concern, Hilton Bros., Ltd., was undertaken by Gairdner & Co., and took the form of seven per cent. cumulative, sinking fund, redeemable, preferred stock.

This merging of interests is believed to have placed the present company in a much stronger position to cater to its already extensive clientèle and has considerably increased the company's ability to meet growing western demands, by curtailing costs incidental to shipping over long distances. It is understood that the Toronto plant is running at full capacity.

Shoe Merger Financing Not Expected Immediately

From Our Own Correspondent

MONTREAL.—Public financing of the recently merged shoe distributing companies will not take place for several weeks. Both stock and bond markets show considerable apathy to new issues and the underwriters feel that it would be better to hold off making any public announcement until the markets showed an improvement.

Full details of the consolidation will not be known until the prospectuses are issued. The bringing together of the Surpass Shoe Company, Agnew Shoe Company, of Brantford, and John Ritchie Company, will set up one of the strongest retail shoe distributing companies in Eastern Canada. Stores have been established in Western Ontario, Toronto, Montreal, and other points.

Canadian Fox Breeders Had Good Year in 1927

From Our Own Correspondent

MONTREAL.—Last year was the most successful year in the history of the Canadian Silver Black Fox Association, according to reports read at the annual meeting here. About 40,000 pups were registered, Prince Edward Island leading with 17,348; New Brunswick had 6,361, Ontario 4,302, Quebec 3,141, Nova Scotia 2,612, Alberta 1,847, Manitoba 1,437, British Columbia 873 and S[illegible]katchewan 793. Some 60,000 old f[illegible] were re-inspected during the year. T[illegible] membership of the association is 4,[illegible] being 1,000 above that of the preced[illegible] year. The financial statement show[illegible] a surplus of $23,000.

Dividends Declared

	Rate	Date
Pressed Metals, pref.	1¾%	Oct. 1
Do., pref.	1¾%	Jan. 1, '29
Durant Motors	10c.	Sept. 30
Do.,	10c.	Dec. 31
Stand. Chemical, c.	$1.00	Sept. 1
Int. Utilities, pfd.	$1.75	Aug. 1
East. Theatres, pfd.	3½%	July 31
Teck-Hughes	10+20c.	Aug. 1
Brewers & Distil.	5c.	Aug. 1
Christie Brown	30c	Aug. 1
Imperial Bank	3%	Aug. 1
Granby Cons.	$1	Aug 1
Can. Bronze, com.	$1	Aug. 1
Do., pfd.	$1.75	Aug. 1
Inter. Paper, c.	60c.	Aug. 15
Penmans, c.	$1	Aug. 15
Do., pfd.	1½%	Aug. 1
Steel of Can., com.	1¾%	Aug. 1
Do., pref.	1¾%	Aug. 1
Inter. Nickel, pfd.	1½%	Aug. 1
Enamel & Heating, c.	50c.	Aug. 1
Belding Cort., c.	3½%	Aug. 1
Do., pref.	1¾%	Sept. 15
For. Pr. Secs. pfd.	1½%	Aug. 15
Hamilton Bridge, 1st pfd.,	1⅝%	Aug. 1
Stanford's 1st & 2nd pfd.	1¾%	Aug. 1
Manitoba Pr.	$1	Aug. 1
South Can. Pr.	$1	Aug. 15
Winnipeg Elec., c.	$1	Aug. 1
Weston, Geo., pfd.	1¾%	Aug. 1
Amer. Salesbook, pf.	1¾%	Aug. 1
Mercury Mills, pfd.	1½%	Aug. 1
Royal Bank	3%	Sept. 1
Russell Motor, c.	2%	Aug. 1
Do., pref.	1¾%	Aug. 1
Brazilian c.	44c.	Sept. 1
East. Theatres, c.	50c.	Sept. 1
Paramount Thea., pfd.	1¾%	Aug. 15
Wright Har.	2½c.	Aug. 1
Bk. of Toronto	3%	Sept. 1
Zimmerknit, pfd.	1¾%	Aug. 1
Massey Harris, pfd.	1¾%	Aug. 15
Blue Ribbon, pfd.	1¾%	Aug. 1
Standard Bank	3%	Aug. 1
Can. Foundries, pfd.	x1½%	Aug. 1
Can. Vickers, pfd.	1¾%	July 31

x On arrears.

Timely Investments
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Denman & Co.
LIMITED
INVESTMENT BANKERS
HAMILTON BELLEVILLE
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PIONEER BOND SYNDICATE LIMITED
Stocks - Bonds - Investment Certificates
$6.50 monthly will pay for $1,000.00 Bond in 120 months.
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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXII. Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JULY 20, 1928 10c. a Copy; $5.00 a Year No. 29

MERGER EXPECTED SINCE STANDARD'S CONTROL CHANGED

Bank Deal Has Been on Agenda for Four Years

40 DUPLICATIONS

Only 20 Branches Likely to be Closed—Merger is Another "Logical" One

Purchase by the Canadian Bank of Commerce of the Standard Bank of Canada, on a share for share basis widens the gap between the largest three banks of Canada and the smaller banks. The Royal, Montreal and Commerce now leave the rest of the banks far behind. The former Big Four is really now only a Big Three. Comparative total assets of the banks are now as follows:

		Total Assets
1.	Royal	$924,770,962
2.	Montreal	896,162,587
3.	Com.-Standard	692,594,200
4.	Nova Scotia	259,642,421
5.	Dominion	150,619,088
6.	Can. Nationale	148,739,951
7.	Imperial	147,013,414
8.	Toronto	142,328,332
9.	Provinciale	54,602,453
10.	Wey.-Security	6,171,035

Merger Long Discussed

The present merger has been in the wind ever since 1924 when Arthur F. White, a director and executive officer of Dominion Securities Corporation, became president. The close affiliation of Mr. White's other interests with the Canadian Bank of Commerce group presaged a merger. That such a merger was contemplated has been from time to time denied. At one time when The Financial Post linked the two banks together, it was told that no merger was going to take place and that, therefore, a suggestion disturbing to managers of the banks might best be left unprinted.

Logical Merger Basis

The merger has a logical basis from the standpoint of the two banks involved. As the official statement given out says:

"The Standard Bank of Canada has over $100,000,000 in assets, is very strongly represented in Ontario, having more than 170 branches in the province, but is not strongly represented in Western Canada, Quebec and the Maritime Provinces. The Canadian Bank of Commerce, on the other hand, with approximately $600,000,000 in assets, has over 500 branches throughout the Dominion from the Atlantic to the Pacific, with additional offices in London, New York, Cuba, the West Indies, Rio de Janeiro, Mexico, San Francisco, Seattle, Portland, Ore., Newfoundland and St. Pierre. The amalgamation will give the Canadian Bank of Commerce many new business connections throughout Canada, a greatly strengthened position in the province of Ontario, and with the acquisition of the Standard Bank branches the Canadian Bank of Commerce will have in all over 800 branch offices. The enlarged institution will provide present customers of the Standard Bank with the additional facilities afforded by a chain of branches from coast to coast in Canada, with direct representation in New York and London, including world-wide banking connections, and their business will continue to be administered as far as possible by the present officials of the Standard Bank.

"The Standard Bank officials have felt for some time that they should earlier have opened up more extensively in Western Canada. To do so now with the present competition would be very expensive and slow of development, and by joining with the Canadian Bank of Commerce they consider they will be in an excellent position to give to their customers the service they have long desired to furnish.

Only 40 Duplications

The new combination will have a total of 815 bank branches, with only 40 duplications.

Branches of the two banks as at May 31 last were located as follows:

	Commerce	Standard	Total
P. E. I.	7	0	7
N. S.	21	0	21
N. B.	7	1	8
Que.	87	1	88
Ont.	187	174	361
Man.	50	8	58
Sask.	90	20	110
Alta.	58	21	79
B. C.	66	1	67
Yukon	2	0	2
In Canada	575	226	801

Outside Canada

Standard—None.	
Commerce—	
Newfoundland	2
Great Britain	1
St. Pierre et Miquelon	1
U.S.A.:	
New York	1
Portland, Ore.	1
San Francisco	1
Seattle, Wash.	1
Cuba: Havana	1
Barbados: Bridgetown	1
Jamaica: Kingston	1
Trinidad: Port of Spain	1
Mexico: Mexico City	1
Brazil: Rio de Janeiro	1
Total	14
Grand total of branches	815

The duplicating branches were located in the following centres in Canada:

Barrie, Ontario—
 Commerce manager, H. M. Lay.
 Standard manager, R. R. White.

Belleville, Ontario—
 Commerce manager, A. Y. Snider.
 Standard manager—John Elliott.

Blenheim, Ontario—
 Commerce manager, M. E. Harrington.
 Standard manager, J. L. Rutherford.

Brantford, Ontario—
 Commerce manager, C. F. A. Gregory.
 Standard manager, A. W. Crawforth.
 Each bank has an additional branch in Brantford.

Brighton, Ont.—
 Commerce manager, R. J. W. Hepburn.
 Standard manager, O. A. Sharpe.

Caledonia, Ontario—
 Commerce manager, T. S. Little.
 Standard manager, A. W. Parrish.

Calgary, Alberta—
 Commerce manager, A. Maybee.
 Standard manager, J. H. McDowell.
 Commerce has three additional branches in Calgary.

Chatham, Ontario—
 Commerce manager, H. M. Stewart.
 Standard manager, C. D. Lyone.

Cornwall, Ontario—
 Commerce manager, A. E. Currie.
 Standard manager, S. G. Davis.
 Commerce has one additional branch in Cornwall.

Drumheller, Alberta—
 Commerce manager, J. H. Eakin.
 Standard manager, H. M. Goldby.

Edmonton, Alberta—
 Commerce manager, W. G. Lynch.
 Standard manager, A. H. Watson.
 Commerce has two additional branches in Edmonton.

Forest, Ontario—
 Commerce manager, D. Rymer.
 Standard manager, E. B. Nelles.

Gilbert Plains, Manitoba—
 Commerce manager, G. H. Watson.
 Standard manager, H. I. Hobbs.

Goderich, Ontario—
 Commerce manager, A. J. McKay.
 Standard manager, H. H. Reid.

Hamilton, Ontario—
 Commerce manager, A. E. Taylor.
 Standard manager, E. V. Illsey.
 Commerce has eleven additional branches in Hamilton.

Kingston, Ontario—
 Commerce manager, A. G. Mordy.
 Standard manager, J. F. Rowland.

Kitchener, Ontario—
 Commerce manager, J. H. Dobbie.
 Standard manager, J. P. Dougherty.

Lethbridge, Alberta—
 Commerce manager, K. W. Rerkie.
 Standard manager, T. K. Lockwood.
 Standard has one additional branch in Lethbridge.

Lindsay, Ontario—
 Commerce manager, C. L. Jewell.
 Standard manager, S. Alcorn.

London, Ontario—
 Commerce manager, R. T. Brymner.
 Standard manager, H. F. Clarke.
 Commerce has one additional branch in London.

Midland, Ontario—
 Commerce manager, P. J. Fasken.
 Standard manager, W. S. Benson.

Montreal, Quebec—
 Commerce manager, P. C. Stevenson.
 Standard manager, E. C. Green.
 Commerce has thirteen additional branches in Montreal.

Orangeville, Ontario—
 Commerce manager, C. A. Lamon.
 Standard manager, E. Still.

Oshawa, Ontario—
 Commerce manager, W. D. Elliott.
 Standard manager, E. C. Hodgins.

Ottawa, Ontario—
 Commerce manager, C. Gordon.
 Standard manager, O. K. Lawson.
 Commerce has two additional branches in Ottawa.

Palmerston, Ontario—
 Commerce manager, J. E. Hogg.
 Standard manager, V. E. Appes.

Parkhill, Ontario—
 Commerce manager, H. C. Campbell.
 Standard manager, R. F. McAndless.

Port Perry, Ontario—
 Commerce manager, R. S. Fleming.
 Standard manager, H. W. Morden.

Regina, Saskatchewan—
 Commerce manager, H. B. Adams.
 Standard manager, W. G. Hoig.

St. Catharines, Ontario—
 Commerce manager, E. G. Fox.
 Standard manager, R. C. Brown.
 Commerce has one additional branch in St. Catharines.

Saint John, New Brunswick—
 Commerce manager, R. B. Buchanan.
 Standard manager, W. G. Bedford.

Saskatoon, Saskatchewan—
 Commerce manager, W. J. Savage.
 Standard manager, H. C. Allingham.
 Commerce has branch in Nutava, suburb of Saskatoon.

Strathroy, Ontario—
 Commerce manager, J. G. Mills.
 Standard manager, W. J. Stewart.

Sudbury, Ontario—
 Commerce manager, J. P. Taillon.
 Standard manager, L. V. Coffey.

Toronto, Ontario—
 Commerce manager, J. A. C. Kemp.
 Standard manager, A. D. Leitch.
 Commerce has 43 additional branches in Toronto. Standard has 24 additional.

Vancouver, British Columbia—
 Commerce manager, G. V. Holt.
 Standard manager, J. W. Ruggles.
 Commerce has 17 additional branches in Vancouver.

Wadena, Saskatchewan—
 Commerce manager, G. S. Nunns.
 Standard manager, E. G. Bourne.

Whitby, Ontario—
 Commerce manager, C. B. F. Jones.
 Standard manager, C. A. Bryans.

Windsor, Ontario—
 Commerce manager, J. Moreton.
 Standard manager, E. A. Holmes.
 Commerce has three additional branches in Windsor.

Winnipeg, Manitoba—
 Commerce manager, C. G. K. Nourse.
 Standard manager, J. S. Turner.
 Commerce has twelve additional branches in Winnipeg and Standard one.

About 20 branches may be closed.

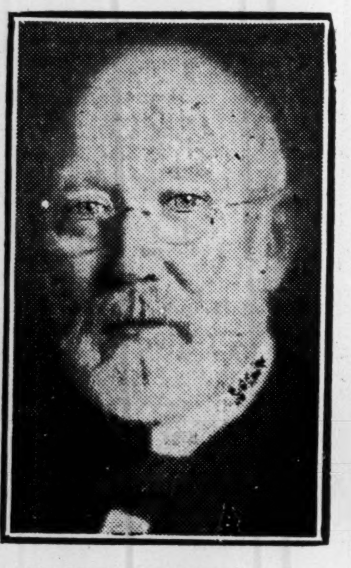
New Stock Authorization

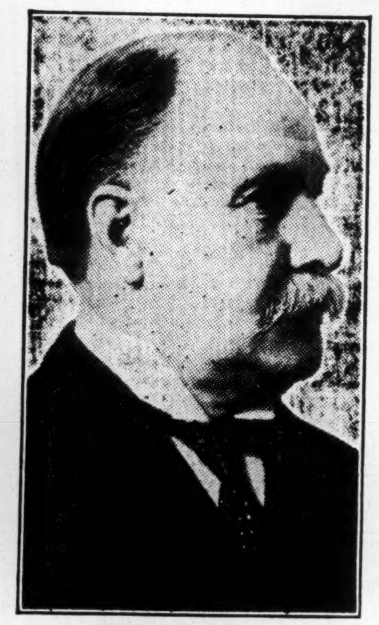
It will not be necessary for the Bank of Commerce to issue any new stock to take care of the Standard Bank shareholders. The latter has 48,234 shares, and the Bank of Commerce has 50,000 unissued shares in its treasury.

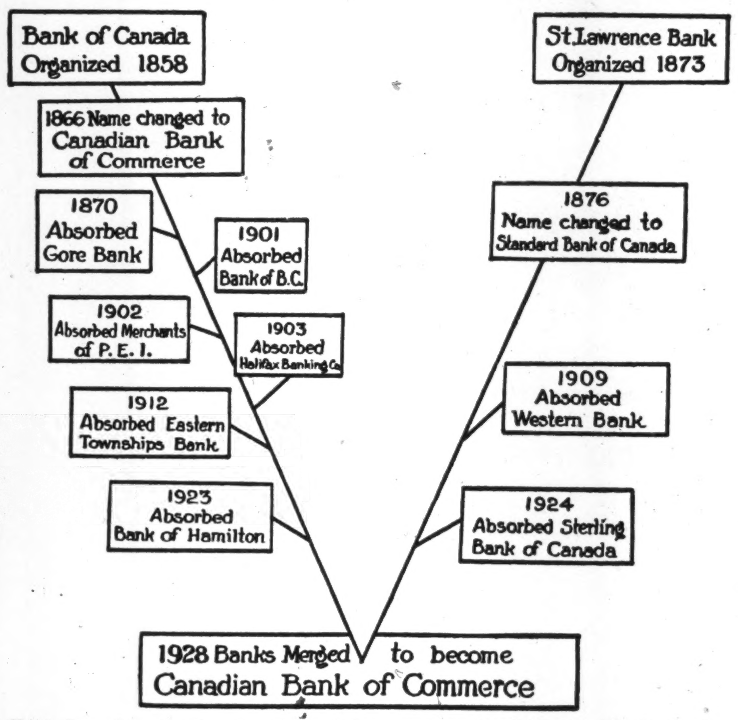
When the consolidation is com-

(Continued on page 13)

New Officers and Projected Head Office of Canadian Bank of Commerce

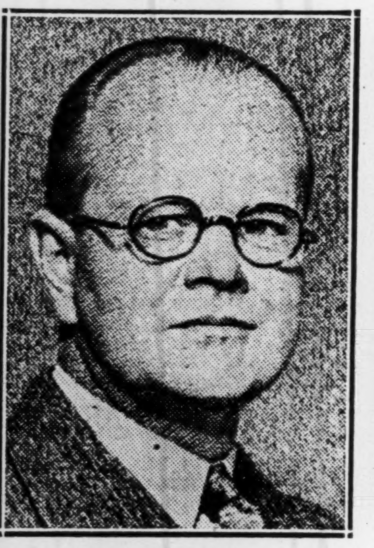

SIR JOSEPH FLAVELLE, Bart., chairman of the board of Canadian Bank of Commerce

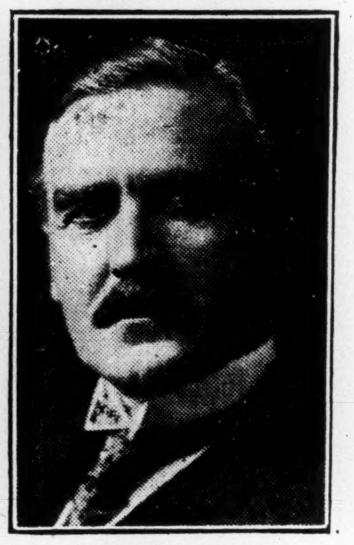

SIR JOHN AIRD, President

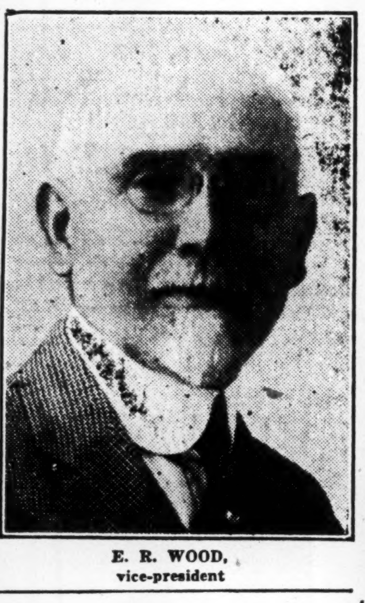

Bank of Canada Organized 1858
1866 Name changed to Canadian Bank of Commerce
1870 Absorbed Gore Bank
1901 Absorbed Bank of B.C.
1902 Absorbed Merchants of P.E.I.
1903 Absorbed Halifax Banking Co.
1912 Absorbed Eastern Townships Bank
1923 Absorbed Bank of Hamilton
St.Lawrence Bank Organized 1873
1876 Name changed to Standard Bank of Canada
1909 Absorbed Western Bank
1924 Absorbed Sterling Bank of Canada
1928 Banks Merged to become Canadian Bank of Commerce
Chart shows how the Canadian Bank of Commerce—as it wil be after the Standard Bank merger—has grown from a long series of mergers.

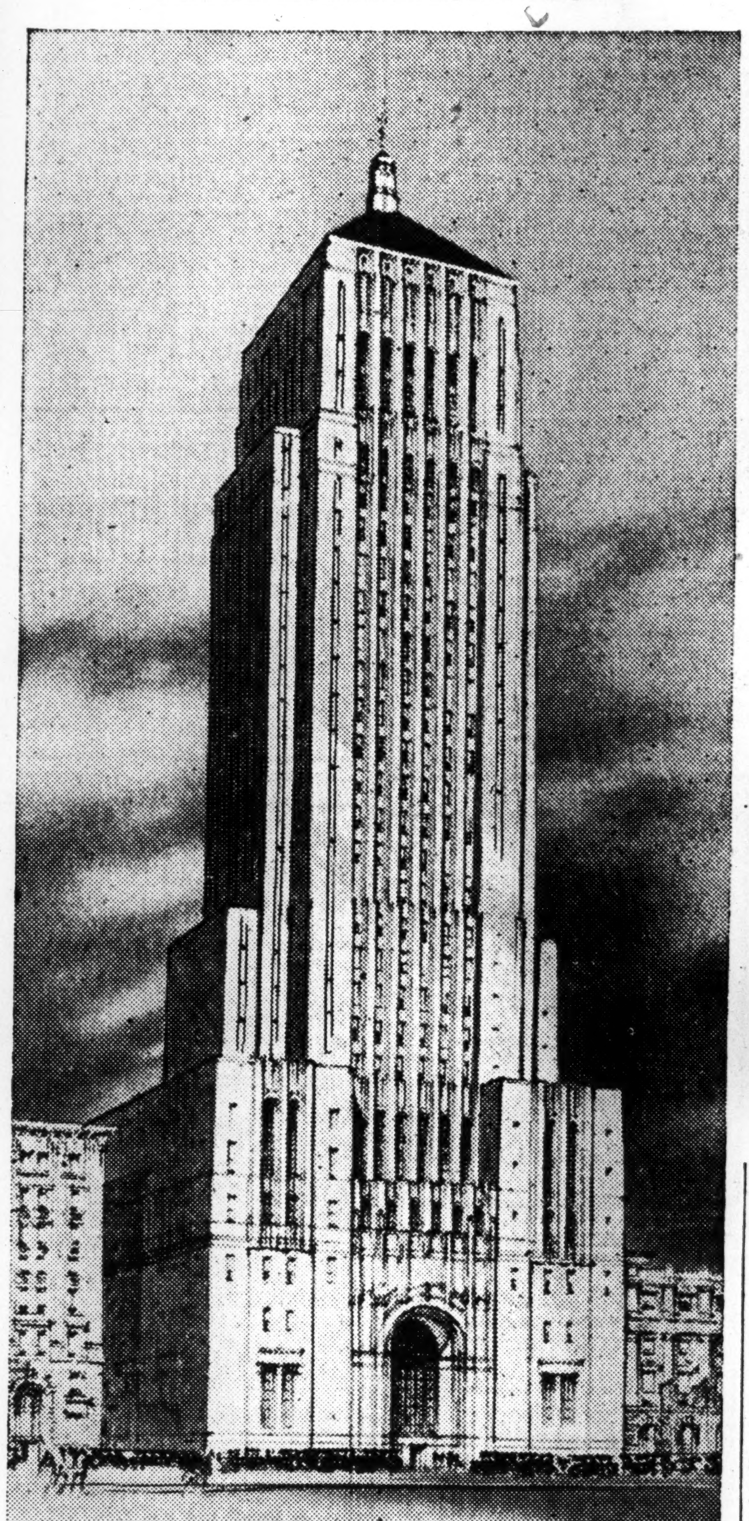
SYDNEY H. LOGAN, general manager

N. L. MacLEOD, formerly general manager of the Standard Bank, now to become an assistant general manager of the Bank of Commerce

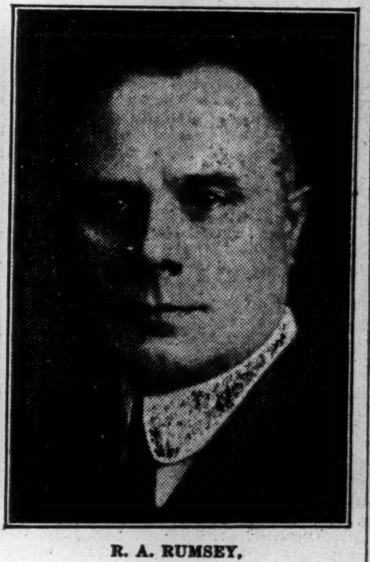

ARTHUR F. WHITE, formerly president of the Standard, who becomes a vice-president of the larger bank


SIR THOMAS WHITE, vice-president


E. R. WOOD, vice-president


New head office of Canadian Bank of Commerce as it will appear when it is finished. The bank has just taken over the Standard Bank of Canada.

C. W. ROWLEY, assistant general manager


R. A. RUMSEY, assistant general manager

F. M. GIBSON, assistant general manager

FORM WAITING LIST FOR 1929 EXHIBIT

British Section at Canadian National Exhibition Large and Comprehensive

The British section arranged by the Federation of British Industries at the Canadian National Exhibition this year has increased by more than 50 per cent. and the range of goods represented has been widened very considerably. It now covers the following industries: Agricultural machinery, artists' colors, biscuits, boot polish, carpets, confectionery, educational, technical and general publications, electric advertising and other devices, electro-plated ware, fancy leather goods, footwear, fruit beverages, haberdashery, hats, health salts, household dyes, jewellery, knitted garments, leather belting, linen, office machinery, paints and decorative material, pottery, preserved foods, shipping and harbor companies, soap and perfumery, soft toys, textile machinery, Turkish towelling, typewriters, weighing machinery, woollen piece goods and woollen underwear.

This increased representation of British manufactures is the "outward and visible sign" of the greatly increased interest taken in trade activities in Canada, an increase which is also shown in the significant fact that between twenty-five and thirty people are travelling over from England to take charge of these exhibits. In past years there have seldom been more than five or six attending from this side, most of the exhibits being in charge of Canadian representatives, but this year the firms are showing an increased tendency to come out and see for themselves. The majority of those who are coming out are principals, either partners of the firms concerned or men occupying important executive positions. They will be there not merely for the sake of the Exhibition but to look over the Canadian market generally.

So far as Canada is concerned, there is certainly no apathy on the part of the British manufacturer. Each year of the Canadian National Exhibition more and more industries are being added to the "British Section" and there is every possibility that next year it will be increased a further 100 per cent. A waiting list for the British section of 1929 is already being formed.

Heavy Prize List Proposed For World Grain Exhibit

From Our Own Correspondent

MONTREAL.—Provision has been made for $202,500 in prizes for the World's Grain Exhibition, to be held in Regina in 1932. This is exclusive of special prizes that may be instituted. The committee appointed by the Hon. W. R. Motherwell, Dominion Minister of Agriculture, reports that there will be six classes of wheat with $100,000 in prizes; two classes of oats with $30,000 in prizes; five classes of barley with $15,000 in prizes; three classes of field peas with $3,000 in prizes; two classes of field beans with $3,000 in prizes; two classes of soya beans with $1,000; one class of rye, $5,000; one class of wheat, $3,000; four classes of corn, $30,000; one class of rice, $2,000; two classes of millet, $2,000; one class of alfalfa, $2,000; one class of red clover, $1,000; one class of alsike, $1,000; one class each in sweet clover, timothy, brome grass, mangles and turnips, $500 each.

Large Increase in Sea Fish Catch Recorded During May

From Our Own Correspondent

MONTREAL.—Canada's catch of sea fish on both coasts during May increased by 17,429,800 pounds, the total catch having been 87,876,900 pounds, valued at $2,643,276, while in May, 1927, 70,447,100 pounds worth $2,577,145, were caught.

On the Atlantic coast, 16,530,400 pounds of cod, haddock, hake and pollock were taken in May last, according to the Department of Marine and Fisheries, as against 7,722,400 pounds in May, 1927. Increased catches were recorded in all of these kinds, but the principal increase was in cod, which practically doubled the quantity taken during the same period of the preceding year. Increases were also recorded in herring, sardines, alewives and lobsters.

Approximately 41,218,500 pounds of herring were taken during the month as compared with 38,864,400 pounds during May, 1927. There were 26,646 barrels of sardines taken during May last, while in the same month last year the total was only 10,158 barrels.

The total catch of lobsters since the opening of the lobster season was 17,861,100 pounds, of which 5,385,400 pounds were consumed fresh and the balance canned, making 62,043 cases. In the same period of the preceding season the catch was 16,108,300 pounds, of which 6,249,100 pounds were shipped in shell, and the balance canned, making 49,300 cases.

On the Pacific Coast an increase was recorded in the catch of halibut during the month under review, when 3,780,000 pounds were taken as against 3,565,500 pounds in May, 1927.

A marked decrease in the catch of salmon was recorded. Only 833,600 pounds were taken during May last as compared with 1,564,500 pounds in the preceding May. Three fishermen lost their lives during May last on the Atlantic coast.

STATES FARMERS AGAIN ATTRACTED TO CANADA WEST

Larger Number of American Settlers Entering This Year

OPINION IS CHANGING

Valuable Class of Citizens Taking Up Lands; Bring Much Wealth With Them

From Our Own Correspondent

MONTREAL.—American settlers again are being attracted to Western Canada by the lure of cheap farm lands. For several years past the Dominion Government, as well as other agencies interested in settling the Prairie Provinces, have spent a great deal of time and money in putting before prospective American settlers, the advantages of Western Canadian farm lands. Efforts in recent years, however, have not been overly successful, but there has been no let down in activities.

But it is now apparent that time and labor spent will return big dividends to Canada. For the first five months of this year, 11,083 Americans crossed the border into Canada, settling largely in the Prairie Provinces. This compares with movement of 8,892 in the corresponding period of 1927, an increase of nearly 25 per cent. This is the most favorable showing that has been reported since 1921.

Owing to certain primary factors, it has been a difficult matter to move any large number of American farmers to Canada. During years of prosperity the American farmer has not felt inclined to change his residence, while during years of depression lack of money has kept him at home. However, land is getting scarce in the United States and prices are advancing.

To the man who is anxious to secure additional acreage or to set his sons up on farms of his own, Western Canada offers him opportunities which he cannot get elsewhere. This fact is being realized more and more by the American farmer, and the encouraging results in the five months period January to May, 1928, give rise to the belief that Canada again is on the verge of seeing another large movement of American settlers to this country.

Since the end of the war, arrivals from the United States have been comparatively few in number as compared with former years, or in comparison with the arrival of nationals from Great Britain and the Continent.

The record of American settlement in Canada shows a steady increase in numbers from 1900 up to 1913, when 139,009 were established. In the fourteen year period the average per annum was very close to 75,000; 1914 was also another big year, when 107,530 American settlers arrived in this country. Even during the war years the movement was well sustained, though on a smaller scale than in the years preceding 1914. The last six or seven years, the number of American settlers arriving in this country has averaged about 25,000 per annum.

Prospects at present are for a movement this year in excess of that reported during either 1927, 1926, 1925, 1924 or 1923; in fact, it may exceed 1922, when 29,345 settlers were recorded as entering this country from the United States.

The American settler has always been particularly welcome in Canada, not only on account of his easy assimilation, but mainly for his adaptability to Canadian conditions. Furthermore, while the methods in United States and Canada are similar the American settler coming to this country brings his own machinery, household effects and sufficient capital to see that he gets a proper start. This latter item is an important one when considering Canada's immigration problem. The British and European settler, as a rule enters this country with comparatively little cash or capital resources.

With the American settler such is not the case.

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GOOD PROSPECTS FOR BANNER YEAR IN GROUP BUSINESS

Four Big Policies Recently Written by Canadian Companies

From Our Own Correspondent

MONTREAL.—The first half of 1928 has apparently been a banner period for group insurance in Canada. A large number of big group policies have been signed which have gone to swell the total of smaller policies that comprise the bulk of group business written in Canada in the past two years.

Last year, for instance, although there was a substantial increase in the number of cases written, nevertheless the sum total of group business written during the year was not quite equal to the 1926 figure. The reason for this is easy to find. When group business got under way in Canada after the war, the big companies were the first to be lined up. Half a dozen or more of the big Canadian corporations were soon convinced of the benefits of protecting their employees, so that for the first few years the total of group insurance in dollars and cents was extremely large, although comparatively few cases were written.

To-day, however, there are very few of the big companies that are not lined up in some group plan, so that during 1927, and for the future, the bulk of group business will come from the smaller corporations, who are gradually being sold on the idea of this form of employee protection.

Four large group policies have been written, however, within the past few weeks, which is taken as an indication that there are still a few big policies to be had. These three alone should run well over the $4,500,000 dollar mark. One of these is the new Canada Steamship Lines policy that is to be divided between the Canada Life and the Travelers, when it finally gets under way.

Then there are three big policies that the Sun Life has recently written. One of these covers the employees of the International Power & Paper Co. of Newfoundland, the policy amounting to about $1,000,000. Then this week the same company has written a policy for $1,500,000 on the 1,100 employees of the Anglo-Newfoundland Development Co., which operates the Rothermere mill at Grand Falls. The employees are covered according to the salaries earned, and the insurance ranges from $500 to $3,000.

Another large policy written by the Sun, is one covering the 800 employees of the Spruce Falls Power & Paper Co. This covers employees both at the mill at Kapuskasing and also at the head office at Toronto. The policy is for over $1,000,000 and is also governed by the salaries earned.

R. Le Blanc, secretary of the British Colonial Fire Insurance Co., was recently in Winnipeg and announced that A. S. Knight & Co. had been appointed as general agents for the province of Manitoba for that company.

Insurance Inklings

J. J. O'Grady has been appointed district organizer at Montreal for the London Life Assurance Company.

The Dominion Government has granted a license to the Federated British Insurance Co. to transact tornado insurance.

The Occidental Life Insurance Company is now licensed to write accident and sickness insurance in addition to life.

The Ocean Accident and Guarantee Corp. Ltd. has been granted a license to write tornado insurance in addition to the classes it already writes.

The National Union Indemnity Co. of Pittsburgh, has received a certificate from the province of Manitoba to write accident, automobile (excluding fire), burglary and plate glass insurance.

Lytle Duncan, of the Toronto branch of the Continental Life Insurance Co., has the distinction of winning for four consecutive months the Championship Shield of the branch for the largest producer.

The Universal Insurance Co. of Newark, N.J., has received a license to transact business in the province of Manitoba. Argue Bros. of Winnipeg are acting as general agents for the company in Manitoba.

D. G. T. Ross, of Winnipeg, has been appointed provincial manager for Manitoba for the Dominion Assurance Company of Waterloo. Mr. Ross has been manager of the Winnipeg office for the past eleven years and in assuming the added duties resulting from his promotion will still retain direct control of the Winnipeg branch.

F. F. Moffat, Cochrane, and H. P. Charlton, North Bay, have qualified for membership in the senior branch of the Macaulay Club of the Sun Life, which requires that a salesman write over $250,000 business in the year. Mr. Moffat and Mr. Charlton will be the guests of the company at the annual Macaulay Club meeting to be held in Banff during the course of the summer.

John M. Steele has resigned from the London and Lancashire as casualty inspector and has identified himself with the Canadian General Insurance Agencies Limited. Mr. Steele is well known throughout the Ontario Agency Field, having spent eight years as casualty inspector, formerly with the Norwich Union and, latterly, with the London and Lancashire. He also served for nine years in various capacities with the Guardian Assurance Company in the Old Country.

R. S. Pratt, Sault Ste. Marie; T. M. Mulligan, North Bay; R. Bertrand, Rouyn, Que.; A. Vincent, Kirkland Lake, and J. A. Labine, Haileybury, have earned entry to the junior section of the Macaulay Club of the Sun Life, requiring a sales business of $125,000 or over.

The members of the Production Club of the North American Life Assurance Company will repair shortly to Manoir Richelieu, where they will hold their annual convention. The club was founded in 1912, and some of the original members are still with the company and will be attending the convention this year.

H. C. Henderson, Toronto, is president, and L. H. Hyatt, Windsor, is vice-president, of the Eastern Division of the club. J. A. Collins, Edmonton, is president, and G. L. Gould, Edmonton, is vice-president, of the Western Division. These offices are held by virtue of having written and paid for the largest and second largest amounts of personal business in each section during the year.

It is expected that Thomas Bradshaw, president of the company, and C. W. I. Woodland, vice-president, will attend the convention.

Haley Fiske, president of the Metropolitan Life, has announced changes in the management of the field work of the company. Third Vice-President E. H. Wilkes, who has been for some years in charge of the Pacific Coast head office of the company, has been transferred to the home office and will have charge of one of the two divisions into which the company's field is divided. The constitution of these divisions has been somewhat remodelled and will be: Division No. 1, Southern, Northern, Middle West, New England, Atlantic Coast and Canada Territories. This will be in charge of Second Vice-President A. F. C. Fiske. Division No. 2 will comprise Metropolitan, Southwestern, Keystone, Central, Northwestern and Pacific Coast Territories in charge of Mr. Wilkes. The change will be effective August 1st. Superintendent of Agencies Frederick J. Williams, who has had charge of the New England Territory, has been appointed to succeed Mr. Wilkes in charge of the Pacific Coast head office and territory. Superintendent of Agencies Walter S. J. Shepherd, who has had charge of the Northern Territory, has been transferred to the New England to replace Mr. Williams, and Mr. Joseph V. Gregory, manager of Somerville, Mass., has been appointed superintendent of agencies for the Northern Territory in place of Mr. Shepherd.

SPLENDID RECORD OF NORTH BRITISH IN WORLD FIELD

Chairman Says 1927 Results "Too Good to Last"

From Our Own Correspondent

MONTREAL.—Licensed in Canada some sixty-six years ago and established in the year 1809, the North British & Mercantile Insurance Company has just published its 118th annual report.

The report indicates an exceptionally fine year for the company which operates in all parts of the world and has a total premium income of over $52,000,000, nearly half of which is from its fire department. Every department of the business reports an increase for 1927 with the single exception of marine.

In the fire realm, the company shows net premium of $21,565,000, of which $1,103,000 is credited to the Canadian field. Loss ratio on the entire business was 45.98 per cent. as against 49.4 in the previous year, and 48.6 in 1925. The ratio of losses incurred to premiums written, in Canada was 44 per cent. as against 56.5 per cent. in 1926.

The balance sheet shows a strong position that has been well maintained for a considerable number of years. Assets total $191,926,000, of which $116,940,000 is credited to the life department; $16,770,000 to the annuity; and of the remainder $51,000,000 is invested in mortgages, bonds, stocks and real estate. At the end of 1927, the company had assets in Canada of $2,820,000, and total investments exceeding $7,000,000. After making all necessary adjustments and setting up the necessary reserves, the company transferred $2,516,000 to profit and loss account.

Referring to the showing made by the company, the Rt. Hon. Viscount Younger of Leckie, who officiated as chairman at the annual meeting, made the following remarks:

"I am afraid this is too good to be normal for a company transacting, as we do, a large and world-wide business. At any rate, the result constitutes for us a record fire profit, and has been contributed to by nearly all sections at home and abroad. The very nature of our business is such, that we must expect ups and downs, and if on the whole the results balance out fairly well one year with another, we feel we have achieved one of the objects for which we are striving."

In Canada, the North British Mercantile is under the direction of its Canadian manager, C. A. Richardson. The North British "group" includes the Railway Passengers Assurance, a British company which has been operating in Canada since 1902, and the Occidental Fire Insurance Co., also incorporated in 1902. Mr. Richardson is president and manager of the Occidental and is also Canadian manager for the Railway Passengers. Both companies are controlled by the North British & Mercantile, and combined Canadian premium income for 1927 was $1,900,000.

North American's Leading Producers

H. C. HENDERSON,
of Toronto, president of the Eastern Division of the North American Life Production Club. Mr. Henderson wrote and paid for the largest amount of personal business in the East during the Club year.

J. A. COLLINS
Edmonton, who is at present the North American Life's largest personal producer in the West. By reason of this, he is the president of the Western section of the Production Club for the coming Club year.

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VERY LITTLE HOPE FOR GRESHAM WRITS

Deputation Told Government Hands Are Tied

From Our Own Correspondent

MONTREAL.—A conference was held last week at Ottawa in regard to the $2,200,000 writs at present outstanding against the Dominion Gresham Insurance and Guarantee Co., in regard to certain liquor shipments made some three or four years ago.

Col. Rexford representing the official liquidators, and A. H. Clay, representing the company, met Superintendent of Insurance Finlayson and Hon. J. A. Robb, and another government official, representing the department of justice, and the whole question was threshed out.

No definite statement has been made regarding the interview, but it is understood that the government, while offering an exceedingly sympathetic ear to the company, held out no substantial hope that the writs would be withdrawn. Having issued the writs, both to the Dominion Gresham and to one or two other companies, the government quite naturally feels its hands tied in the matter, even if it wished to offer some relief to the defunct Dominion Gresham.

Northern Assurance Has New British Head

From Our Own Correspondent

MONTREAL.—Kenneth K. Peters has been officially appointed general manager of the Northern Assurance Company, in succession to W. A. Mackay, who recently resigned that position.

Mr. Peters joined the staff of the "Northern" in London, Eng., 1896, and has since served in various positions, including manager for Australasia. He was appointed assistant general manager in 1920.

Confederation Life Elects New Officers

As a result of the death of J. K. Macdonald, late president of the Confederation Life Association, new officers have been elected. These are shown above, left to right: Peleg Howland, president. Mr. Howland is also president of the Imperial Bank of Canada, and a leading wholesale hardware merchant; C. S. MacDonald, vice-president and general manager; R. S. Waldie, vice-president.

OUTLINE PROGRAM SUPERINTENDENTS

Meeting in Regina Will Cover Wide Field of Subjects

The eleventh annual conference of the Association of Superintendents of Insurance of the Provinces of Canada, will be held in the Hotel Saskatchewan, Regina, Wednesday, Thursday and Friday, September 19, 20, and 21. All meeting, with the exception of executive sessions, are open to accredited representatives of insurance interests and to the general public.

Preliminary announcement of the programme indicates a very interesting conference. Wednesday, Sept. 19, will be marked by the address of welcome by Hon. James G. Gardiner, Prime Minister of the Province of Saskatchewan, Hon. D. J. Patterson, Provincial Treasurer and Minister in charge of Saskatchewan Insurance Department, and His Worship Col. James McAra, Mayor of Regina. The president's address and presentation of reports will follow. Three addresses on insurance subjects, which should prove of interest to all insurance men, are also scheduled for that day. The Hon. Col. Wm. R. Baker will speak on "The Kansas Rating Law." "The Credit Evil and Free Insurance" will be dealt with by Col. A. E. Kirkpatrick, and "Workmen's Compensation," will be the subject of an address by Clarence W. Hobbs.

Thursday, September 20, matters pertaining to life insurance will be reported on and discussed. Reports on contracts, licensing, insurance reserves, fraternal insurance will be presented. In the afternoon session, general subjects such as credit insurance, limitation of risk, Dominion and Provincial Legislation, uniform annual statements and definitions, will be dealt with.

Fire and casualty topics will be considered by the committee at their Friday sessions. Reports will be presented on fire insurance legislation, over-insurance, accident and sickness insurance, variations in statutory conditions, automobile insurance legislation, aviation insurance, and hail and tornado insurance.

The association announces that there will be further topics, speakers and reports with regard to which the final programme will give full particulars. The preliminary programme as outlined above promises a very interesting conference and with the additional plans which the committee have underway the conference should prove of great value not only to the superintendents but to all insurance men throughout the country.

U. S. A. Companies Flock to Canada

From Our Own Correspondent

MONTREAL.—A flock of United States insurance companies are preparing to invade the Canadian field for their annual 1928 conventions. Already two prominent companies from across the line which are not licensed to do business in Canada, have held their pow-wows within the confines of Quebec province and many more are billed to appear during the next two months.

At Quebec last week the Million Dollar Club of the Missouri State Life Insurance Company of St. Louis, Mo., held some interesting sessions, and were addressed during their stay by T. B. Macaulay, president of the Sun Life Assurance. Mr. Macaulay spoke to the convention on the history of life insurance.

The other American company was the Equitable Life, of Iowa, which spent the best part of a week at Montreal.

Fire Underwriters Elect New Officers

From Our Own Correspondent

MONTREAL.—Routine business, social activities and the annual golf game were the order of the day, when the Canadian Fire Underwriters Association held its annual meeting at St. Andrews, N. B., a few days ago.

The newly-elected officers for the coming year, together with the new executive committee, are as follows:

President, J. W. Binnie (Globe & Rutgers); vice-president for Ontario, Colin E. Sword (Union of Canton); vice-president for Quebec, P. L. Monkman (Yorkshire).

Executive committee: Wilfrid M. Cox (Western); Harold Hampson (North America); J. P. A. Gagnon (National Union); John Holroyde (Commercial Union); Kenneth Thom (Prudential); William A. Thompson (Norwich Union Fire); Lewis Laing (Liverpool & London & Globe); Lyman Root (Sun); C. E. Sanders (Atlas); W. Robins (Great American); W. R. Houghton (London & Lancashire) C. Stuart Malcolm (Motor Union).

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June Asbestos Shipments Show Substantial Gain

From Our Own Correspondent

MONTREAL.—Shipments of crude and other asbestos from Thetford, Black Lake, Robertson and East Broughton during the past month show a substantial increase over the corresponding figures for 1927 and 1926.

During June last shipments of crude No. 1 amounted to 54 tons; crude No. 2, 191 tons; fibre 6,819 tons, shorts in bags 9,840 tons and refuse in bulk 1,077 tons. The greatest improvement is to be seen in the shipments of shorts in bags which increased last month by approximately 80 per cent. as compared with June, 1927. Crude shipments are somewhat lower.

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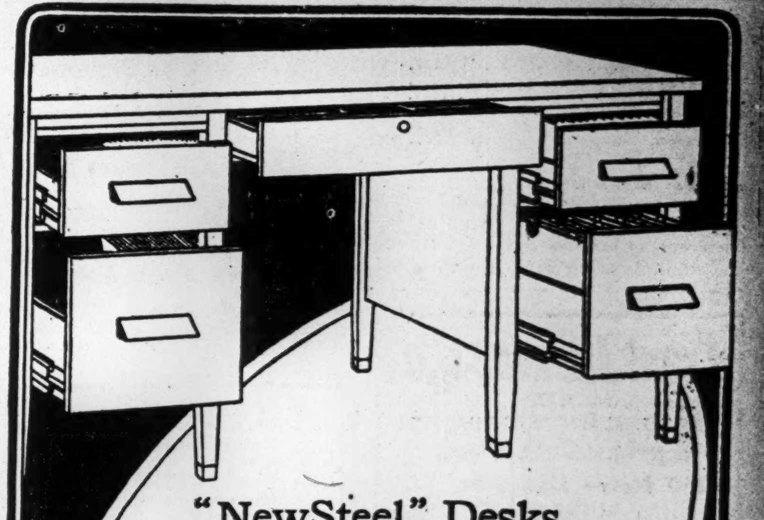

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Current Events in Banking World

ABSORBED STAFF USUALLY GIVEN EQUAL CHANCES

Experience in Canada is That Mergers Do Not Hurt Staff

By C. PAYELL

It is quite natural that a merger of two banks invariably disturbs the feelings of the staff of the absorbed institution, notwithstanding the assurances of the executive officials of the absorbing bank that the officers taken over will eventually be better off than they were before the merger. A large proportion of the staff of the absorbed institution may feel that their ancestors came from Missouri. The greater the inherent loyalty of the officers, the more will they regret the disappearance of their own bank; they feel that the absorption will result in the severance of old and familiar ties. A year or more usually elapses before they feel quite "at home" under the new regime, and it takes sometimes longer for them to realize the benefits which accrue to them as a result of the merger. They need have no qualms; the fit will survive and will, beyond question of doubt, be better off through increased opportunities. The bigger the bank the greater the opportunities to those officers fit to assume higher responsibilities of office.

Take, for example, the go-ahead officer who is in charge of a branch situated in a manufacturing district where opportunities for extending the loaning end of his business abound. A small bank may have difficulty in meeting the requirements of some of its customers, especially if the accounts are large. The bank has to do business within its means. The manager may have a desirable account offered to him. He forwards an application for credit to head office and the application is "tactfully declined." The bank is extended to the limit of safety and new business cannot be accepted. Other reasons are advanced, of course, for declining the account. Under the new regime no account will ever be declined through lack of funds. Thus will the large resources of the absorbing bank enable an energetic manager to make better headway than he did when he was employed by an institution having limited funds at its disposal.

Inspection of Branches

An inspection of each office of the absorbed bank usually follows immediately after the ratification of the sale by the shareholders of both banks and when final approval has been obtained of the Governor-in-Council. Owing to the physical impossibility of having all the inspections done by the regular inspection staff, it is customary to enlist the aid of the senior staff in the execution of the work. In places where both banks are represented the inspection is usually done by the manager of the absorbing bank. The degree of tact displayed by the inspecting officers at such a critical time is important. The inspecting officers are warned not to be over-critical with regard to non-essentials. No doubt the routine system of the larger bank is best, but the smaller bank sometimes has features which will in due course be adopted by the other.

The standard of loans, as regards quality, may be different, and the inspecting officer may feel dubious about the safety of some of them, especially when it may devolve upon him to assume the responsibility of carrying the accounts. This burden will be placed upon him when branches of both banks have offices too close to each other to warrant the continuation of both. Experience has shown that an inspecting officer is prone to be more critical under such circumstances. Thus at competitive points it may in certain instances be considered advisable to appoint as inspecting officer someone who will not have to assume the responsibility of carrying the loans; the good judgment of most managers will be accepted, but when an officer is known to have had little loaning experience another inspecting official may possibly be called upon to do the work.

Bigger Bank Draws Deposits

The manager of a branch where deposits are the chief feature will find that he has more scope in attracting this class of business. The bigger the bank the greater has it the confidence of the public. Jones may have $1,000 on deposit with the absorbed bank but he carries the bulk of his savings with a stronger institution. The task of obtaining all his deposit business will be much easier under the new regime.

In mergers of the past it has been found that the officers of the absorbed bank have been afforded equal opportunities with those of the larger and, while many officers in the present case may feel disturbed, in a year or two they may have reason to rejoice in the turn of events.

It is, of course, admitted that there have been cases of mergers in Canada where the managers of the smaller banks felt that they did not get the best deal out of the arrangement. But in such cases examination will prove that there was a reason. Probably the bank taken over was in a weak position, and considerable pruning had to be done. But this would have been necessary to save the bank even if there had been no merger. Or the merger may have taken place at a time when general contraction in the banking business was occurring. The weeding out process carried out then, even if applied generally throughout all banks, would have been attributed by members of the staffs of absorbed institutions to whatever merger had recently taken place and affected them.

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Western Investments

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Our organization covers every section of the province.

Pemberton & Son
Vancouver Limited
418 HOWE STREET
Vancouver, Canada

MERGER EXPECTED SINCE STANDARD'S CONTROL CHANGED

(Continued from page 11)

pleted the Canadian Bank of Commerce capital will be $24,823,400, the reserve fund $24,825,400, and the total assets approximately $700,000,000.

At the present time, Commerce is paying 12 per cent. dividend plus 1 per cent. bonus; Standard pays 12 per cent., without bonus. The arrangement thus increases the dividend rate of the Standard Bank shareholders.

Six New Commerce Directors

Directors of the Canadian Bank of Commerce now are: Sir Joseph Flavelle, chairman of the board; Sir John Aird, president; Rt. Hon. Sir Thomas White, K.C.M.G., and E. R. Wood, vice-presidents; A. Kingman, Sir John Gibson, C. F. Galt, Charles Colby, A. C. Flumerfelt, G. W. Allan, H. J. Fuller, F. P. Jones, H. C. Cox, C. N. Candee, W. W. Hutchison, H. R. Silver, J. A. Richardson, T. A. Russell, Sir Alexander MacKenzie, Miller Lash, G. C. Edwards, H. S. Ambrose, C. A. Birge, W. E. Phin, I. Pitblado, K.C.; W. P. Riley, W. A. Wood, A. V. Young, John Stuart, and Rt. Hon. Lord Shaughnessy, K.C.

To these will be added some of the Standard directors.

Mr. A. F. White, the president, is to become vice-president of the merged banks, and Thomas H. Wood, F. W. Cowan, A. M. M. Kirkpatrick, A. R. Auld and W. K. George will become directors.

Now Build New Head Office

Sydney H. Logan, general manager of the merged banks said that the projected head-office of the Canadian Bank of Commerce would now go on, although there would be some changes in the plans. With its increasing business, the bank is now pressed for space, even with buildings obtained for accommodation while the new building is in course of erection. The present head office of the Standard Bank will not be interfered with and will be retained for the Toronto savings branch. The buildings at the southwest corner of King and Jordan Sts. will be torn down and a handsome structure erected in their place.

All employees of the Standard Bank will retain their positions with the merger institution.

Wood Biggest Shareholder

Principal shareholders of the Standard Bank are as follows:

H. Wilberforce Aikins, Toronto, 100; William Ainlsie, Hamilton, 102; Sir John Aird, president Bank of Commerce, 100; A. R. Auld, Toronto, 105; Miss Annabel R. Auld, Toronto, 137; Mrs. C. M. Auld, Toronto, 124; Miss Mary H. Beatty, Toronto, 200; Mrs. E. E. Black, Toronto, 100; James C. Black, Toronto, 120; Thomas J. Brennan, Wilkesbarre, Penn., 100; F. D. Brown, 100; Canadian Trust Co., London, Ont., 130; Canadian General Investment Trust, Ltd., Toronto, 100; Canadian Mortgage Investment Co., Toronto, 100; Frederick G. Carswell, Oshawa, 100; Mrs. A. Blache Crawley, Cobalt, Ont. 100; Charles E. Copeland, Elmvale, Ont., 104; R. H. Crosbie, Toronto, 100; F. W. Cowan, Oshawa, 100; Miss Lily M. Cowan, Oshawa, 100; Robert C. Cowan, Toronto, 400; John Dyer, Oshawa, 200; W. R. W. Eaton, Toronto, 256; G. B. Burland, Montreal, 278; Wellington Francis, Toronto, 350; Thomas Gilmour, Toronto, 102; Wm. R. Johnston, Toronto, 125; Mrs. Mary E. King estate, Quebec, 100; Herbert Langlois, 150; late James Scott, Toronto, 125; Thomas R. Wood, Toronto, 100; Frederick Wyld, Toronto, 175; John M. Farthing, Aylmer, 100; First National Trust and Savings Bank, Chicago, 162; Mrs. Kate M. Francis, Toronto, 100; Wm. K. George, director Standard Bank, Toronto, 100; R. E. Gibson, Toronto, 205; Mrs. Margaret Gooderham, Toronto, 147; Hans Guldmann, Galveston, Texas, 100; Mrs. Sarah C. Hardy, Toronto, 175; Chas. H. Houston, Chatham, 100; Mrs. Alice M. Houston, Cincinnati, 174; Louis A. Howard, Toronto, 117; Ideal Lumber and Supply Co., Ltd., Hamilton, 200; Imperial Life Assurance Co., Toronto, 250; Imperial Trading Corporation, 963; Independent Order of Foresters, 244; Strachan Johnston, Toronto, 125; Wm. R. Johnston, Toronto, 110; Rice Lewis Julian, New York, 116; A. M. Kirkpatrick, Toronto, 100; Robert Laidlaw, Toronto, 150; Samuel Edward Laidlaw, Grimsby, 100; Ernest Arthur Larmouth, Ottawa, 175; Arthur L. Lozier, New York, 103; K. R. Marshall, Toronto, 100; Jasper Martin, Jr., Toronto, 100; W. J. Martin, San Francisco, 175; Thos. Meredith, Toronto, 100; Lt.-Col. J. F. Michie, Toronto, 150; Alex. Middleton, Edinburgh, Scotland, 350; Thomas Montague, Newcastle, Ont., 148; Montreal City and District Savings Bank, Montreal, 100; Montreal Trust Co., trustee, 100; Mrs. Caroline E. MacDonald, Toronto, 200; New York Trust Co., trustee, 286; Power Corporation of Canada, Ltd., Montreal, 150; Douglas M. Ramsey, Edinburgh, 218; James Gordon Ramsay, Edinburgh, 150; F. A. Robert, Chatham, 161; Col. Donald M. Robertson, Toronto, 150; Edward Saunders, in trust, Toronto, 210; Schlegal Manufacturing Co., Rochester, N.Y., 100; Mrs. Florence E. Scholfield, Toronto, 136; Rev. Hugh Singleton, Newport, England, 160; J. D. Storie, Oshawa, 100; G. B. Strathy, Toronto, 175; Mrs. Roberta C. Thompson, Niagara-on-the-Lake, 136; Roger Tuckerman, New York, 525; United States Fire Insurance Co., New York, 202; United States Mortgage and Trust Co., New York, 100; Charles C. Van Norman, Keswick, Ont., 100; Miss Helen Wardrop, Toronto, 112; Joseph T. Waters, New York, 1,000; Arthur F. White, Toronto, 100; Major Robert Wood, England, 1,500; Thomas H. Wood, Toronto, 1,520; Thos. H. Wood and A. M. M. Kirkpatrick, in trust, Toronto, 300; George W. Blaikie & Co., Toronto, 146; Bongard & Co., Toronto, 150; Cronyn & Co., Toronto, 205; Osler & Hammond, Toronto, 405; C. H. Peaker, Toronto, 103; E. A. Pierce & Co., 102.

The above holdings are as at December 31, 1927.

It is presumed that E. R. Wood and Sir Thomas White will remain as vice-presidents of the Canadian Bank of Commerce, being joined by Arthur V. White, former president of the Standard Bank.

It is also expected that the present assistant general managers of the Canadian Bank of Commerce will remain in those posts. They are R. A. Rumsey, C. W. Rowley and F. M. Gibson. Norman L. McLeod, former general manager of the Standard Bank, joins them in that role.

Weekly Bank Clearings

(As compared with same week last year)

Eastern Cities	July 14, 1927	July 13, 1928
Halifax	$ 3,324,790	$ 4,497,012
St. John	2,609,389	3,194,856
Moncton	972,537	1,009,603
Sherbrooke	862,642	1,022,317
Quebec	7,273,161	7,750,559
Montreal	122,844,463	160,043,597
Ottawa	6,770,739	7,972,271
Kingston	965,790	930,992
Peterboro	1,091,482	1,065,213
Toronto	105,581,116	154,150,370
Hamilton	5,971,410	6,435,937
Brantford	1,231,150	1,747,234
London	2,958,960	3,769,719
Chatham	799,482	732,653
Kitchener	1,135,522	1,186,362
Sarnia	930,347	772,742
Windsor	5,324,746	5,890,953

Western Cities	July 14, 1927	July 13, 1928
Fort William	$ 1,128,051	$ 1,320,971
Winnipeg	41,578,604	64,270,089
Brandon	680,791	805,442
Regina	5,246,244	5,793,163
Saskatoon	2,020,948	2,583,484
Moose Jaw	1,259,270	1,388,334
Prince Albert	368,558	62,349
Lethbridge	635,670	715,972
Calgary	6,965,153	8,559,486
Edmonton	5,125,294	6,274,598
Medicine Hat	321,114	512,396
Vancouver	17,620,392	21,905,993
Victoria	2,445,619	2,885,272
New Westminster	881,550	870,970

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LONDON 58 years in business CANADA
Capital, paid-up, $1,750,000 Reserve Fund, $2,800,000
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
Money loaned on First Mortgages including building loans. Applications invited.
A. M. SMART, *President* T. H. MAIN, *Manager*

DODGE BROTHERS, INC.
Committee under Plan and Agreement dated June 1, 1928

Preference Stock
Common Stock Class A
Common Stock Class B

Deposits under the Plan as of the close of business July 12, 1928, as reported to the Commitee, were 705,258 shares (constituting 84.2%) of the outstanding Preference Stock, and 1,402,042 shares (constituting 76.6%) of the Class A Stock, and 484,500 shares (constituting 96.9%) of the Class B Stock.

Such deposits not being equal to 90% of each class of stock, the Committee has obtained from Chrysler Corporation and Dodge Brothers, Inc., assent to a brief extension, so that the Committee may determine if the desired amount of stock can be obtained.

As a large majority of the stockholders of Dodge Brothers, Inc., have approved the Plan, the Committee has instructed the depositaries to receive further deposits to and including July 23, 1928, in the hope that 90% of each class of stock may be deposited by said date.

Subsequent to the letter of the Committee of June 14, 1928, enclosing an opinion of its counsel and stating its views with respect to the rights of non-assenting Preference stockholders, certain non-assenting Preference stockholders started litigation attacking the Plan and applied for an injunction against carrying it out claiming greater rights for the Preference stock than accorded by the Plan or as stated in the Committee's letter and in the opinion. The injunction against carrying out the Plan was denied, and as the court required, a bond has been filed to protect rights of Preference stockholders as may be judicially determined in the manner provided in the bond. The Committee calls attention to the fact that a court may determine the rights of the Preference stockholders to be different from those stated in the Committee's letter of June 14, 1928, and the counsel's opinion enclosed therewith, and the Committee, in the exercise of its powers under the Plan and Agreement, may with respect to non-assenting Preference stockholders take action other than indicated in said letter and opinion, or may carry out the Plan by making provisions whereby non-assenting stockholders of Dodge Brothers, Inc., retain their present holdings, leaving in Dodge Brothers, Inc., Chrysler Common Stock which such non-assenting stockholders would have received if they had assented to the Plan, or the Committee may carry out the plan in any other manner whatsoever as the Committee may determine. In view of the above, any depositor or holder of a Certificate of Deposit may, by surrendering his Certificate of Deposit in negotiable form to any depositary before the close of business on Monday, July 23, 1928, withdraw the deposited Dodge stock represented thereby. Delivery of such stock against surrendered Certificates of Deposit will be made as soon as reasonably practicable. The Committee points out, however, that any reduction of the amount of deposits by withdrawal will certainly jeopardize the Plan.

The Committee reiterates its conviction that the carrying out of the Plan is in the best interests of all classes of Dodge stockholders and strongly urges all stockholders who have not yet deposited their stock to make such deposit immediately with the depositary named below, which will thereupon issue transferable Certificates of Deposit.

The Certificates of Deposit are listed on the New York Stock Exchange.
The Toronto Depositary is the National Trust Company, Limited, Toronto.

Edward G. Wilmer,
George W. Davison,
Robert P. Lamont, *Committee.*

Root, Clark, Buckner, Howland & Ballantine, *Counsel*
31 Nassau Street, New York City.
Robert M. Benjamin, *Secretary*
31 Nassau Street, New York City
July 16, 1928.

Bank Chat

S. Watson, of Fernie, B.C., has been transferred to Victoria as manager of the Royal Bank of Canada.

J. D. Burnyeat, manager of the Bank of Montreal at Kimberly, B.C., is spending a month's holiday at the coast.

G. H. Langridge has been appointed manager of the recently opened branch of the Bank of Toronto, at Waverly, Sask.

The Bank of Toronto has opened a branch at Bloor and Jane Streets, Toronto, under the management of T. W. Harper.

V. L. Macilroy, accountant of the Canadian Bank of Commerce, has been appointed manager of the new west-end Regina branch which is being opened.

Frank B. Hornibrook, manager of the Canadian Bank of Commerce at Gretna, Man., for the past four years, died at the General Hospital, Winnipeg, aged 33 years.

George R. Cottrelle has been appointed Corporation Executive of the Canadian Bank of Commerce. Mr. Cottrelle has been attached to the head office staff since 1925.

Forbes Knight, formerly associated with the Bank of Nova Scotia as manager of various branches, has been appointed manager of the North Bay office of Stewart, McNair & Co.

V. Curran, manager of the High River branch of the Bank of Commerce is being transferred to Vancouver to the Robson branch in that city. He will be succeeded at High River by H. Wright, from Kitscoty, Alta.

A. E. Gibson, for many years manager of the Guelph branch of the Dominion Bank, has retired from the banking business, and will leave shortly to take up his residence in Oakville. Mr. Gibson will be succeeded by Alfred H. Bactt, who has been connected with the head office in Toronto for the past three years.

Cecil H. Carter, connected with the Canadian Bank of Commerce for 37 years and lately manager of the savings department of the Vancouver branch, has retired from the bank to become associated with Mair, Stewart and Mather, bond dealers, Vancouver. Mr. Carter has served the bank also in Victoria, New Westminster and Nanaimo.

The news of the sudden death of Mr. G. N. C. Hawkins, manager of the Fredericton branch of the Bank of Montreal, was a painful shock to the citizens of Fredericton. The late Mr. Hawkins was born at Newport, Hants county, N.S., 64 years ago. He was educated at Halifax and while a youth entered the service of the Merchants' Bank of Halifax, now the Royal Bank of Canada. He later joined the staff of the People's Bank and was manager at Lunenburg, N.S., for more than 20 years. In 1908 the People's Bank was taken over by the Bank of Montreal and Mr. Hawkins came to Fredericton four years later. He has resided here since that time.

Extensive improvements are being carried out at the former head office of the Royal Bank of Canada, St. James Street, Montreal, which is to house the head office of the Provincial Bank of Canada.

The arrangement of wickets, counters and private offices is to remain as it was when the Royal Bank occupied the premises, but every inscription is to be recast in both official languages.

The present head office of the Provincial Bank on Place d'Armes, is to be torn down.

The whole east side of Place d'Armes will eventually be occupied by a huge skyscraper housing a number of Holt-Aldred companies, and also privately rented offices.

The card ledger system with accounting machines recently adopted in Toronto by the Bank of Nova Scotia and the Imperial Bank to render better service in their savings departments, is reported to be working out very well. The installation of the system necessitates the doing away with the old familiar teller's cage and in its place a broad counter is found. The customer deals with but one person who takes the deposit or cheque, turns to a machine and simultaneously records the transaction in the customer's pass book and the bank's records. The average time to record a transaction is about thirty seconds. The machine is equipped to issue a receipt in case a deposit is made without the pass book.

H. Stevens, of Winnipeg, is relieving A. B. Fee, manager of the Bank of Toronto at Cartright, Man. Mr. and Mrs. Fee are holidaying in Detroit.

Mr. and Mrs. J. W. Spears, of Regina, have arrived in England on three months' furlough—their first visit in 16 years. Mr. Spears is superintendent of the Saskatchewan branches, Bank of Montreal, with headquarters at Regina.

Further progress is reflected in the figures of the half yearly statement of Barclays Bank, one of the "Big Five" London banks.

Total resources amount to $1,799,912,284, being the highest in the history of the bank. Compared with the figures of a year ago, deposits have increased by $47,000,000 to $1,589,754,468, whilst advances to customers show a corresponding increase from $810,000,000 to $852,500,000. This increase and that of $51,800,000 in bills discounted at $179,900,000 are indicative of the improved commercial conditions in the Old Country. Another favorable factor is the increase of $29,000,000 in acceptances at $79,600,000. For comparative purposes, conversion has been made at the rate of $5 to the £.

Interim dividends on the "A," "B" and "C" shares are maintained at the previous rates of 10 per cent., 14 per cent., and 14 per cent., per annum, respectively.

Barclays Bank, with its two affiliations, the British Linen Bank and Union Bank of Manchester, have over 2,250 branches in Great Britain. It has also affiliations in France, Italy, South, East and West Africa, Egypt, Sudan, Palestine, West Indies and British Guiana, etc., and is therefore a bank of very wide ramifications.

Greenshields & Co., in their current letter, say:

"Except for the high level of call loans in Canada, the detailed statement of the Canadian banks for May, referred to briefly in this Review last week, shows that the banking situation in Canada has been continuing to develop along natural and healthy lines.

"Commercial loans are still rising and at $1,207 millions are higher than at any time since 1921. Expansion in that direction, however, would seem to be less than what might be expected in view of the great activity in business. Two deductions are reasonable. One is that inventories are being kept well in hand; the other that the stronger financial position of our larger companies, due in part to their ability in the last few years to provide themselves with more adequate capital through the sale of securities to the public, leaves them much less dependent on banking assistance. The following comparisons for May in each of the last three years show a lower trend in ratios, but the downward movement has been from the abnormally high level reached after the deflation crisis of 1920 and on normal standards the ratios may still be rated as satisfactory:

	1928 %	1927 %	1926 %
Ratio liquid and semi-liquid assets to public liabilities	51.6	53.1	52.8
Ratio savings deposits to commercial loans	125.9	135.9	144.1
Ratio all Canadian deposits to principal loans plus investments	105.7	109.2	110.5

"Relatively, the outstanding factor in the declining ratio of deposits to loans and investments in Canada, a ratio which we have frequently used as a barometer of credit conditions, has been the increase in call loans. This increase in the past two years has amounted to 88.1 per cent. against an increase of 30.3 per cent. in commercial loans on the one hand and of 13.6 per cent. in savings deposits on the other. It has been noted in these Reviews a number of times that the financing of the growth of Canadian business by the active distribution of new issues of bonds and shares necessitates a much broader demand for temporary financing through call loans. It is not possible, however, to discriminate between the expansion that has been due to reasonable demands along these lines and the expansion that has been due to heavy speculation on the Exchanges. The only fact of importance is that the rate of increase in loans based on security collateral has been tending to get out of line with the rate of increase in banking resources."

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Published monthly and sent gratis to interested inquirers by
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A. F. WHITE, *President.* N. L. McLEOD, *General Manager.*

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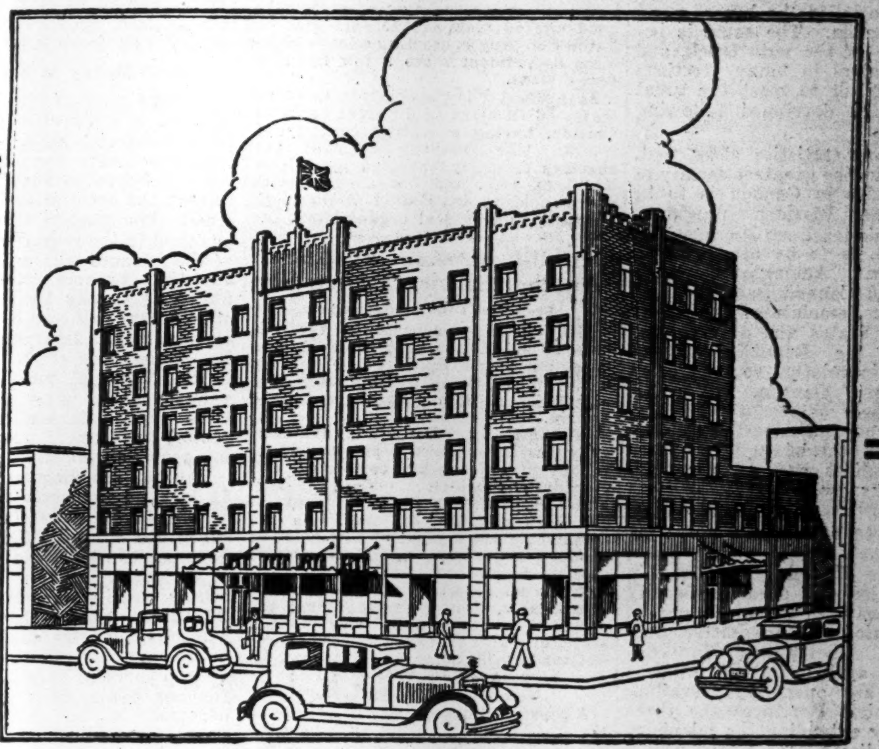

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Security for an issue of
$325,000.00

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Dated July 5th, 1928 Serial Maturities

Interest coupons due January 5 and July 5, payable in Detroit, New York, or at any branch of the Royal Bank of Canada in Canada.

Denominations: $50, $100, $250, $500 and $1,000. Maturities: 2, 3, 4, 5, 6, 7, 8, 9 and 10 years. Trustees: London & Western Trusts Company, Limited, London, Ont. Normal Dominion income tax refunded.

Price: Par and accrued interest.

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In addition to guest rooms, it provides sample rooms, public and private dining rooms, restaurant service and assembly rooms for conventions and other meetings. Also four spacious stores on ground floor. The estimated annual income, net, is more than three times the interest on bond issue.

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PRAIRIE FARMER ON EVE OF LONG PROSPEROUS ERA

Farm Revenue Last Year Aggregates Over $800,000,000

PER CAPITA $3.233

Prospects Excellent For Another Big Crop, Thus Assuring Further Improvement in Conditions

From Our Own Correspondent

MONTREAL.—Faced with the prospects of another generous harvest, Western Canadian farmers have never been in such a prosperous condition. Last year farm revenues in the Prairie Provinces aggregated $802,367,669 and the manner in which this was made up illustrates the increasing diversity of farm production in which the Western Canadian farmer has come to engage.

The wheat crop last year accounted for $407,096,000; other grains, $186,001,300; fodder crops, $60,585,000; animals sold and slaughtered, $40,873,000; butter, cheese, milk and cream, $54,426,213; poultry and poultry products, $28,140,917; root crops, $10,346,000; garden products, $7,316,000; furs, $5,466,000; honey, $1,272,602; wool clip, $844,637.

The average production per farm home in the Prairie Provinces in 1927 was $3,233 and the average cash income from the value of farm products marketed, $2,469. These figures are eloquent of the condition of Western Canadian agriculture and the profitableness of its pursuit. Substantiation is to be found on every hand in the large volume of purchases which has been taking place this year in automobiles, auto trucks, and improved labor-saving farm machinery possible only in times of prosperity.

Few areas, says the Canadian Pacific Railways Bulletin, have undergone such transformation in all that affects the life of its agricultural population as has Western Canada in the past decade. As regards farm methods and operation the Canadian West has always been to the fore and lent of her experience to other countries, and now this land of such recent raw condition has so advanced in the direction of extending the facilities and conveniences of modern life to its agricultural population that to-day it stands lower in this regard only to certain sections of the United States and is far ahead of any other country.

In 1919 the Western provinces, with Federal financial aid, launched a programme of highway building and road improvement which has revolutionized the internal transportation of this territory, giving them thousands of miles of first class roads which have the effect of bringing the farm appreciably closer to the town and added materially to the facilities for the transaction of business and recreational enjoyment. The provinces of Western Canada are now meshed with excellent roads which carry a voluminous traffic.

Conditions Change Rapidly

With good roads motor transport has increased tremendously, the horse being rapidly superseded for this purpose. The automobile is today an essential in the life of rural Western Canada. The same is becoming true of the auto truck, and last fall dealers in many sections found it difficult to meet the great demand which developed following harvest.

Government statistics show that, after Ontario, the greatest density of motor vehicles in Canada is to be found in the Western provinces, which, as this territory is essentially agricultural, is to be attributed to cars on farms. Among all countries in the world Canada is exceeded in per capita automobile ownership by the United States and only certain sections of the Republic possess more cars in relation to population than Western Canada. A recent census of the Provinces of Manitoba, Saskatchewan and Alberta disclosed that 40.9 per cent. of the farms there had automobiles and 2.2 per cent. motor trucks.

The same is true of the telephone. In per capita telephone installation Canada takes second place again only to the United States, and in the Dominion the greatest density of telephones is in British Columbia, then Ontario, and thereafter Saskatchewan, Alberta and Manitoba. Under the systems of Government ownership and operation prevailing in the Prairie Provinces the three are steadily extending the telephone into rural districts as they develop, bringing the settler into immediate touch with town and with his neighbors:. Already 34.8 per cent. of the farms in Alberta, Saskatchewan and Manitoba are equipped with telephones.

The mail service is also steadily being improved with the extension of good roads, and in contrast to the pioneer weekly or semi-weekly services by stage from the railway to country post offices of not so long ago are the numerous daily rural mail deliveries through which all presons residing along and contiguous to well-defined main thoroughfares receive their mail matter in boxes at their gates and have it collected in the same manner and carried to the post office. Air mail service may be said to be definitely within sight for the western provinces, further improving the already excellent postal facilities of farmers of that section.

Perhaps as much as anything else the radio has influenced the life of dwellers on Western Canadian farms, putting them in instant touch with distant cities for purposes of business or recreation and to a large extent removing any disadvantage under which they may be considered to labor in this regard. To-day the radio is as general as the automobile throughout the agricultural districts of Western Canada. The 1926 Government return shows approximately 65,000 radio receiving licenses issued in Western Canada, which represents roughly one-half of the radios in use. There were in 1926, 38 broadcasting licenses issued in the territory and new stations are periodically coming into existence. One of the most powerful in Canada is being erected at Red Deer in Alberta, and according to announcement the Manitoba Government is to erect one at Brandon which will be the most powerful in the Dominion.

Labor Saving Devices

A phase of Western Canadian agricultural life which is receiving much attention now and is due for great expansion in the immediate future is the electrification of farm homes and buildings. The era of electricity on the farm in Western Canada can be said to be but opening up, with only 2.1 per cent. of farms in the territory so equipped at present. Manitoba has so far made greatest progress along this line and has instituted a campaign to encourage the greater use of electricity on the farm, fitting up a number of establishments for demonstration. A new era for light and power is just opening in Saskatchewan under Government ownership which will undoubtedly result in a wide extension of services. Rapid progress is being made in Alberta in extending power and light to the smaller towns of the province and through them serving the rural districts.

Very marked is the change that has come over the West in regard to actual farm operation, and in stern contrast to the laboring pioneer is the modern farmer who directs a series of mechanical contrivances. Last year 21 per cent. of Prairie Provinces' farms had tractors and 25.5 per cent. had gasoline engines, and the purchase of these has in recent months been greater than ever in the history of the area. Similarly the era of the combine has been ushered in in Western Canada, with hundreds of these machines in operation in the past few years and other hundreds to be added this year, reducing the labor burden at threshing time to a minimum.

Montreal Manager

THOMAS M. HOLLY, B.A., formerly of the head office of the Capital Trust Corporation at Ottawa, who has been appointed manager of their recently opened branch office in Montreal.

Famous Players Announce New Theatre for Toronto

From Our Own Correspondent

MONTREAL.—Plans for the erection of a theatre at a cost of more than $1,500,000 on Yonge Street, Toronto, have been announced by Famous Players Canadian Corporation.

This promises to be an exceptionally good site in view of the fact that T. Eaton Company is erecting a large high-class department store a few hundred feet distant.

At present Famous Players owns or leases 86 theatres in different parts of Canada, having a seating capacity of 90,000. The company acquired the theatres formerly operated by Allen's Theatres, Ltd., and has a substantial share holding in United Amusement Company, a Montreal organization.

McColl-Frontenac Purchase Another Service Station Site

From Our Own Correspondent

MONTREAL.—Property in the village of Athens, near Brockville, has been purchased by McColl-Frontenac Oil Company, which will undertake the establishment of a garage and service station.

Within the past few months the company has undertaken a programme of expansion which, when completed, will considerably widen its field of service. The refining plant at Montreal has been enlarged to meet with the demand for the company's new gasoline product, and a number of new service stations opened.

While no report of current earnings is available, it is understood that the company is doing well. The common stock, of which there are 425,000 shares outstanding, is being bid at around 30.

New Brockville Industry

A provincial charter has been granted the A. G. Adams Limited, with head office in Brockville and capital of $200,000 for the purpose of engaging in the manufacture of piston rings and motor and electrical equipment. The incorporators of the new industry are all Brockville men.

Co-Operative Wholesale to be Built on Ruins of Unsuccessful Scheme

New Saskatchewan Scheme Would Replace W.F.C. Trading

LARGER PLAN MOOTED

But Nation-wide Co-operative Scheme is Not So Immediate a Possibility

From Our Own Correspondent

SASKATOON. — The recent strenuous efforts for the creation of co-operative wholesale society for the Province of Saskatchewan have as their end the extinguishing of the Trading Department of the United Farmers of Canada, Saskatchewan Section. The idea is that such a society, if formed, will concentrate the buying of the different local co-operative stores in Saskatchewan, of which there are about forty-five, some of them doing a highly successful business, with a very large turn-over, and also develop increased co-operative trading among the locals of the farmers' organization. One main difficulty faced by the promoters is indifference or hostility on the part of some of the larger co-operative stores, which are quite content with their present facilities for buying, and are reluctant to commit themselves definitely to the employment of a single channel for their purchases. The chief obstacle, however, is the existence of the Trading Department of the United Farmers of Saskatchewan, and the history of its lack of success in past years, involving a heavy loss to the co-operative stores and farmers who put up money to finance it.

Interest Payment Ceased

The Trading Department originated in the old Saskatchewan Grain Growers' Association, which commenced dealing in farm supplies in 1914. It did a large business in binder twine, coal, flour, apples and other commodities which could be furnished in car load lots. These were sold through locals of the association, some of which might handle one or two car loads of supplies each year for their members, without much formal organization. Other locals went into trading on a considerable scale, and, employing permanent managers, developed co-operative stores. None of these was bound to do its business through the trading department but a sentiment of loyalty to the provincial organization gave a considerable advantage to the central body in competition with other sources of supply. For a few years the business appeared to be going well, and when capital was required it was readily obtained by the sale of debentures, which were taken up both by individuals and incorporated trading associations. Debentures were sold to a total value of $226,250, which were paid up to the extent of $194,744.28, the holders remaining liable for the unpaid balances. Interest was paid for a short time, but soon ceased, and then successive annual balance sheets began to show that the greater part of the capital was irretrievably lost.

Lost Money in Machinery

A large part of the loss was attributed to a venture in the sale of farm tractors. Most business had been previously done for cash, but when it began to supply heavy machinery the association began to give credit. The tractors turned out to be unsuited to the requirements of most of the farmers who purchased them, and they became either unable or unwilling to pay their notes, while other losses occurred on depreciation of inventories. In recent years there has been some slight improvement in the financial position, as small annual profits were earned, which were applied in writing down the capital impairment account or making provision for bad debts.

The balance sheet as at December 31 last, as presented to the debenture holders, showed the paid up debenture capital of $194,744.28 to be impaired by $125,647.84 to a value of 69,096.44. Among the assets accounts receivable were carried at $77,622.93, the total of $122,874.46 being reduced by discounted drafts to the amount of $32,430.40 while an allowance of $12,821.13 was made for bad debts. Bills receivable, understood to be largely farmers' notes, were shown at $44,330.25, reduced by a reserve of $25,000 to be carried in the balance sheet at a valuation of $19,330.25. Cash on hand of $5,951.77, inventories of $26,486.96, and other items brought the total assets in the balance sheet to $139,857.24.

Protect Debenture Holders

When the amalgamation of the Saskatchewan Grain Growers' and the Farmers' Union was brought about to form the United Farmers of Canada, there was a general desire to drop the trading department, and to have its functions taken over by some new body controlled by the trading associations, leaving the United Farmers of Canada to be a purely educational association. But the debenture holders insisted on having their interests protected as far as possible, fearing that precipitate liquidation might result, not only in the total loss of their investment, but incur a risk of having called the $70,000 remaining unpaid on the debentures.

Several times, efforts to set up a new body came to grief on this rock, but the debenture holders have now agreed to a scheme for the creation of a new co-operative wholesale society for Saskatchewan, which is intended to take over the present business. The wholesale society is to be incorporated with a capital of $200,000. It is to take over the assets of the trading department, issuing in exchange preferred stock to be distributed among the debenture holders for the value of those assets "and goodwill." The debenture holders have been given an estimate that they will receive from 25 to 50 per cent. of their investment in the form of preferred shares. These shares are to carry an eight per cent. non-cumulative dividend, and until paid off the holders will share in control of the new organization.

Sell Common Stock

Common shares are planned to be sold to the local units on a twenty per cent paid up basis, and the idea is that after capital charges are taken care of, profits will be distributed on a patronage dividend basis to the local units. While some of the existing co-operative stores are holding out, a number have already accepted the plan, and it is believed that it will shortly be got under way.

While representatives of the co-operative stores were recently considering the plan at Lloydminster, a much larger scheme, for a co-operative wholesale society for Canada was brought forward at a meeting of the Canadian Co-operative Union, which was in session at Lloydminster at the same time. Representatives of the British Co-operative Wholesale Societies who were present, urged that the large scheme be undertaken, and offered to give it support. While such a plan may later be undertaken, those interested should note that if created it will be a later development, and that it is the Saskatchewan provincial scheme on which efforts are now being centred to bring it into being.

Simon's Sales Change Little From 1927

From Our Own Correspondent

MONTREAL. — Sales of H. Simon and Sons for the first six months of this year are practically the same as last year, according to unofficial information. In this connection it will be recalled that for the twelve months ended December 31 last, total sales amounted to $1,361,614.

Under the new capital structure, there is outstanding $1,000,000 of 7 per cent. preferred and 30,000 shares of no par value common stock. Both stocks are listed on the Montreal Stock Exchange, the preferred currently selling at par and the common at 36½.

Business Bureau Campaigns Against "Tipster Sheets"

From Our Own Correspondent

MONTREAL.—Efforts are being made by the Better Business Bureau, of Montreal, to educate the public to the menace of "tipster sheets." The Bureau is of the opinion that relief from such cannot be found alone in legislation. The best way is to keep the public informed. To this end the Bureau is sending out warnings and distributing pamphlets freely at the factories and workshops of the larger employers of labor.

Up to date the Post Office has prohibited mail to the following: The Financialistic Debater, The Financial Criterion, Original Developers Pool and Original Developers.

Registered letters are not to be accepted to these papers and all correspondence addressed to or coming from them, are to be returned to the senders, while money orders will not be made payable to these concerns.

GRAIN SHIPMENTS ON LARGER SCALE THAN LAST YEAR

Wheat Flour Exports Also Increase, But Value Lower

From Our Own Correspondent

MONTREAL.—Exports of wheat from Canada during June and the eleven months ending June last, show an appreciable increase in quantity though values are off somewhat. For June only, 21,959,638 bushels were shipped, as compared with 15,863,044 bushels in the same month last year. Values were $29,881,669 and $24,142,364 respectively.

For the eleven months ended June, 1928, 256, 141,388 bushels of wheat, valued at $336,465,456, were exported. This compares with shipments during the corresponding period last year of 244,645,657 bushels, worth $338,246,810.

Vancouver in Lead

For the first half of the current year grain shipments through the ports of Vancouver, Montreal and Quebec, show a large increase in the aggregate over those for the corresponding period of 1927. The increase, however, is confined solely to Vancouver, for both Montreal and Quebec showed reductions in respect to receipts and shipments.

Up till June 30 this year, Vancouver elevators had received 55,541,000 bushels of grain as compared with 16,263,144 bushels for the first six months of 1927. Of the former amount there had been shipped 55,138,896 bushels, as compared with 20,323,222 up to June 30, 1927. Last year there was an apparent carry-over of almost 4,000,000 bushels in stocks. At this rate Vancouver showed an increase of over 230 per cent.

Increased grain consumption in the Orient together with large shipments to South America and the continent of Europe account for the large increase of business by the port of Vancouver.

Montreal Inactive

For the port of Montreal the story is different. In the first half of 1927 the port received 36,844,615 bushels of Canadian grain and 25,588,731 bushels of grain from the United States. This year receipts of Canadian grain have dropped to 34,195,044 bushels and of American grain to 11,682,438. Shipments have correspondingly declined, those of Canadian produce amounting to 32,821,433 bushels and 10,266,078 bushels of United States grain.

Quebec reduction figures on a percentage basis are much more considerable. Up till June, 1927, Quebec received 2,847,820 bushels and shipments, including carryover were 3,765,888 bushels. For the first half of this year receipts of Canadian grain dropped to 1,661,788 bushels and deliveries to 1,624,113 bushels.

Flour Values Lower

Wheat flour shipments during the current fiscal year show a substantial increase but lower prices have affected the value of this trade. During June last 716,013 barrels were shipped, valued at $4,668,470. This compares with 846,700 barrels, worth $5,589,264, in the same month last year.

During the eleven months of the fiscal year ended, June, 1928, 9,083,301 barrels were exported of the value of $57,331,278. In the corresponding period last year shipments totalled 8,798,624 barrels, valued at $58,349,143.

FRANK P. JONES BUYS BACK HIS OLD GLASS LOVE

Buys Back From Canada Cement Company He Made Prosperous

From Our Own Correspondent

MONTREAL. — Canada Cement Company's subsidiary, Consumers Glass Company, has been sold to Frank P. Jones, formerly president of the old Canada Cement Company. The deal has not been officially announced as yet, but it is understood that at the last meeting of the directors steps were taken to sanction this deal. Confirmation is forthcoming, however, from Frank P. Jones.

The price involved in the purchase of Consumers Glass is reported at $2,600,000. The revenue derived from sale of this asset by the Canada Cement Company should go far to strengthening its cash position. Furthermore, it will permit the paying off of certain bank loans.

Just what Frank P. Jones intends doing with his latest acquisition is not known, but in view of the fact that he and Lord Beaverbrook made a similar purchase in England a short time ago, it is reasonable to expect that the two plants will be tied up in some way.

Sell in Canada

At the present time no sheet glass is manufactured in Canada. All domestic requirements are imported, mainly from Belgium and re-cut here. If sheet glass is produced in the English plant at a price that can compete with the Belgian product, then the Consumers Glass with its sales organization should provide a valuable medium for the sale of a portion of the English plant's output in Canada.

Furthermore, the purchase of Consumers Glass by Frank P. Jones is of particular interest in view of the part played by Mr. Jones in the development of this company. While he was president of the old Canada Cement Company the latter acquired a defunct glass company, which Mr. Jones carefully brought along to prosperity as the Consumers Glass Company.

ALBERTA REFUSES MOST OF DEMANDS MADE BY FARMERS

Will Not Butt Into Field of Governing Grain Trade

From Our Own Correspondent

EDMONTON.—The last annual convention of the United Farmers of Alberta had before it a resolution to the effect that provincial legislation should be enacted making the buying of Pool wheat, knowingly, by line elevator companies, an offence punishable by heavy fine. This was referred by the convention to the Wheat Pool, who in turn pressed the matter upon the Provincial Government. Premier Brownlee, however, refused to act, and his reasons are set forth in a letter, which has now been published, addressed to the Wheat Pool Board. Mr. Brownlee stated that he was strongly of the opinion that such legislation, if enacted would be of little practical advantage to the pool, because, no matter what the provisions of the law, it would be practically impossible to establish by evidence that would be accepted by a court, that an effort had been made to induce a member to break his contract.

Would Not Legislate

Premier Brownlee also draws attention to the constitutional aspect of the question, and takes the stand that jurisdiction over grain elevators has been removed from the provincial field by the terms of the revised Canada Grain Act. In that act, in order to give the Dominion Parliament jurisdiction over the whole grain trade, all country elevators were declared to be works for the general advantage of Canada. The Premier accordingly thinks it very doubtful if the province would have the right now to pass any legislation affecting grain elevators.

Some other replies just published to various requests of the United Farmers of Alberta are of general interest, and some of them indicate that the government in spite of the fact that it is known as a U. F. A. government, has no intention of being dominated by the provincial farmers' organization, or controlled by resolutions that may be passed at annual conventions.

One resolution urged that the principle of proportional representation be followed in Provincial redistribution as far as possible, and opposed a radical reduction in the number of seats in the province. The Premier replied that the question of redistribution will come before the next session of the legislature, but points out that there are very real difficulties in applying the principles of proportional representation in a province of such a large area and so small a population as Alberta.

Represent Alberta Consumers

The U. F. A. had urged that a representative be appointed by the provincial government to look after the consumers' interests in all hearings before the Tariff Advisory Board. Reply is made that the executive council has authorized the necessary vote to make provision for such representation and the Premier has communicated with Mr. Darby (who represents the Canadian Council of Agriculture in such hearings) in an effort to complete the arrangements. This is in decided contrast with the recently reported action in Saskatchewan, where the United Farmers of Canada, Saskatchewan Section, refuse for the future to have anything to do with the Tariff Advisory Board.

No Tax on Telephones

The convention had asked that a small tax be placed on lands adjacent to telephone lines for the support of the telephone service. This would be analagous to the system in connection with rural telephones in effect in Saskatchewan, as recently described in The Financial Post. The government however, take the stand that such a system would work hardship, especially in the south country where land holdings are large, and decline to introduce the plan at the present time.

The convention urged the creation either of a provincial fire insurance fund, or encouragement of municipalities to establish such a fund. The government replied that many practical difficulties stand in the way of such a plan, and they furnished a lengthy memorandum to point out some of these.

The government declined to introduce a higher gasoline tax as suggested by the convention.

The convention asked that increased exemptions be made under the Exemptions Act as against judgment debtors, including land up to 320 acres, one automobile to the salable value of $500 and one piano to the salable value of $300. The government reply that these increased exemptions asked for are quite wide, and will require further consideration.

International Paper Plans Erection New Kraft Mill

From Our Own Correspondent

MONTREAL. — International Paper Company has selected site at Mobile, Ala., for erection of a plant to manufacture kraft paper. Site includes 200,000 acres of timber land, which will furnish pulp indefinitely. Plant to be erected will cost upward of $5,000,000; work will be started shortly and be completed in nine months.

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Return of the Chartered Banks of the Dominion of Canada, May 31st, 1928

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 12, of the Revised Statutes of Canada, 1927

Liabilities

NAME OF BANK	Notes in Circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks elsewhere	Bills Payable	Letters of Credit	Other Liabilities	Dividends Declared & unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	Capital subscribed	% last dividend	Loans to Directors	Average gold and Coin Held	Average Dominion Notes held	Greatest amount notes in Cir.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	41,292,936	37,329,032	20,000,00	8,181,231	175,348,842	426,589,211	96,459,980	2,235,345	1,870,912	7,885,415	326,931	14,431,056	1,423,048	902,332	30,916,700	29,916,700	895,109,675	31,175,000	29,916,700	12	5,352,257	28,377,776	60,351,225	44,596,301
Nova Scotia	13,887,607	2,399,527	....	421,333	35,385,920	128,439,741	33,180,601	3,568,687	436,667	2,017,352	451,075	7,343,558	141,822	2,836	20,000,000	10,000,000	257,676,734	15,000,000	10,000,000	16	1,186,670	9,175,879	6,234,073	13,044,524
Toronto	7,236,558	1,070,937	4,000,000	188,808	35,531,845	65,466,382	....	3,295,355	504,296	5,434,851	3,739,893	2,310,921	243,252	152,032	7,000,000	5,000,000	141,175,134	10,000,000	5,000,000	12	3,672,992	342,400	6,400,000	8,107,078
Provinciale	3,637,723	342,816	2,000,000	240,435	6,316,414	35,885,967	....	....	2,117	52,410	....	34,320	32,736	94,713	1,500,000	4,000,000	54,139,655	5,000,000	4,000,000	9	....	204,086	490,712	3,962,428
Commerce	25,239,414	8,148,267	5,000,000	3,987,848	147,864,017	250,311,416	46,092,151	956,535	1,516,629	23,345,393	1,751,128	24,730,438	....	604,863	20,000,000	20,000,000	579,548,103	25,000,000	20,000,000	12	7,084,339	17,224,000	22,468,000	27,460,186
Royal	36,949,632	19,254,771	10,000,000	7,674,360	172,306,730	314,979,386	221,125,131	1,949,417	1,692,766	25,584,942	4,385,581	43,804,189	50,000	913,888	30,000,000	30,000,000	920,670,799	40,000,000	30,000,000	12	2,330,644	11,113,201	9,068,264	39,999,988
Dominion	7,000,084	1,371,224	....	463,755	36,041,658	69,852,323	9,088,140	1,952,170	972,507	2,098,274	205,030	6,242,760	440,871	3,174	8,000,000	6,000,000	149,731,975	10,000,000	6,000,000	12	1,414,919	2,171,000	4,656,000	7,649,537
Standard	6,381,895	882,693	3,500,000	350,656	25,177,665	55,157,664	....	575,819	762,403	2,104,967	....	492,110	7,158	4,907	2,900,000	4,823,400	103,121,342	5,000,000	4,823,400	12	72,295	384,589	2,611,190	6,563,955
Nationale	11,120,439	1,530,022	2,500,000	1,044,126	23,875,367	93,200,195	1,583,975	2,537	70,511	607,180	....	898,765	....	141,680	5,500,000	5,500,000	147,574,803	10,000,000	5,500,000	10	201,050	882,575	1,798,423	12,432,924
Imperial	9,196,125	1,271,728	....	4,065,993	36,582,499	73,308,337	....	1,837,720	605,707	722,542	....	2,603,880	....	3,325	7,500,000	7,000,000	144,702,860	10,000,000	7,000,000	12	76,462	1,009,497	4,731,671	10,118,360
Weyburn Security	459,997	113,340	....	13,435	1,641,692	3,015,910	....	....	....	44,560	....	6,000	....	72	250,000	524,560	6,069,569	1,000,000	655,700	7	15,144	24,631	38,617	502,695
Total	162,402,410	73,714,357	47,000,000	26,631,980	696,072,649	1,516,206,532	407,529,978	16,373,585	8,434,515	69,897,886	10,859,638	102,902,998	2,338,887	2,823,822	133,566,700	122,764,660	3,399,520,649	162,175,000	122,895,800	.....	21,406,772	70,909,634	118,848,175	176,437,976

Assets

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks in U.K	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	28,401,388	61,580,137	3,131,021	865,952	37,381,443	51,876	2,990,135	7,326,824	74,345,390	41,901,005	6,405,716	41,361,845	134,455,428	308,933,055	53,822,112	13,684,533	27,189,293	2,094,199	679,330	1,131,327	11,550,000	14,431,056	1,463,197	17,500,000	3,078,780	447,534	896,182,587
Nova Scotia	9,238,299	5,770,917	959,498	2,367,514	12,527,483	1,577	93,242	3,652,038	27,501,888	12,620,979	10,014,750	37,136,623	6,544,902	83,260,504	20,790,782	497,836	5,363,853	156,415	8,676	216,958	6,967,995	7,343,558	496,168	6,000,000	....	109,952	259,642,421
Toronto	369,998	8,299,380	522,465	110,029	12,003,268	....	1,781,092	2,115,853	12,985,025	3,552,334	8,594,064	11,189,932	....	68,322,163	....	....	2,555,227	44,017	....	164,498	3,262,716	2,310,921	264,478	3,880,866	....	....	142,328,332
Provinciale	221,755	671,750	505,915	117,021	2,074,198	2,957,033	....	269,668	6,211,661	2,161,112	3,401,710	12,763,542	....	18,023,279	....	....	1,628,070	127,433	403,980	487,199	2,084,437	34,320	200,400	100,000	....	152,964	54,602,453
Commerce	9,869,916	20,289,230	1,776,800	905,432	24,655,568	1,163	532,334	15,871,152	48,950,934	24,838,990	9,089,497	45,058,708	47,105,883	218,028,582	31,336,029	7,705,906	19,604,093	1,878,350	2,292,190	1,300,674	11,685,676	24,730,438	1,000,000	12,000,000	....	406,076	583,107,379
Royal†	11,461,932	18,791,563	3,355,865	15,480,023	38,596,019	2,647	21,287,951	28,287,244	45,412,179	23,900,876	20,951,076	62,710,564	60,782,065	259,580,627	170,126,858	1,973,264	8,194,296	2,251,315	1,746,340	1,449,228	14,197,030	43,804,189	1,300,000	11,400,000	2,192,689	503,814	924,770,962
Dominion	2,197,246	5,795,628	844,070	196,200	9,149,922	33	183,473	1,976,764	14,526,304	4,151,847	2,264,758	14,731,480	10,153,076	65,479,467	2,916,140	....	1,051,025	257,289	20,375	36,626	5,629,860	6,242,760	310,000	2,200,000	2,223,984	304,728	150,619,083
Standard	422,150	3,564,897	453,844	70,883	6,229,465	....	59,975	612,100	10,141,550	3,397,040	3,788,433	15,250,747	....	50,402,011	....	....	2,523,364	382,643	324,785	142,597	3,863,738	492,110	250,000	2,000,000	....	114,480	104,486,821
Nationale‡	950,520	2,550,287	973,065	166,014	4,520,417	873,787	83,125	703,978	22,659,405	10,617,931	2,460,905	16,294,166	....	63,947,547	3,133	585,748	5,593,338	179,391	966,942	1,089,556	5,343,515	898,765	282,113	6,700,000	....	291,288	148,739,951
Imperial	1,005,317	5,701,905	772,002	203,366	8,416,663	782,305	78,965	1,377,335	15,384,585	6,504,417	325,893	12,895,085	3,600,000	68,666,530	....	849,151	5,901,405	225,521	316,407	634,246	6,097,494	2,603,88	347,787	4,014,466	....	303,759	147,013,414
Weyburn Security	25,081	42,169	28,140	1,917	23,232	686,423	....	83,620	785,391	236,593	308,246	....	100,000	2,719,480	100,000	....	47,840	28,780	195,305	184,850	295,919	6,000	28,358	200,000	....	43,682	6,171,035
Total	64,163,602	133,057,863	13,322,745	20,484,351	155,577,698	5,356,842	27,090,292	62,281,476	328,904,315	138,883,124	67,605,048	269,392,692	262,742,355	1,207,363,245	279,095,054	25,296,438	79,631,804	7,625,353	6,959,331	6,837,759	70,978,380	102,902,998	5,942,501	65,995,332	7,495,453	2,678,277	3,417,664,45

**Of this deposit $21,745,333 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank of Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return

‡ The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

Foreign Bonds Sold in Canada

(Continued from Last Week's ssue)

Republic of Bolivia

7 PER CENT. EXTERNAL SECURED BONDS

Due July 1, 1958.

Issued and Outstanding—$14,000,000.

Interest Payable—January 1 and July 1, at New York in United States gold coin.

Denominations—Coupon, $500 and $1,000, registered as to principal only.

Redemption— Redeemable as a whole or in part at 102½ on any interest date.

Sinking Fund—Cumulative sinking fund operative October, 1927, sufficient to retire the entire issue by maturity, either through purchases at not exceeding 102, or if not so obtainable, through semi-annual drawings at that price.

Special Security—In addition to being a direct obligation of the republic, the bonds are secured by a first or second charge on certain revenues to secure interest, amortization and principal, such revenues to be maintained at not less than one and one-half times the amount required for such service. Such revenues include a first charge on the newly-created royalties of the government from the exploitation of the government of the oil lands in the Department of Chuquisaca.

Listed—New York Stock Exchange.

Price Range	1928	1927
High	98½	98
Low	93¼	93¾

8 PER CENT. SINKING FUND BONDS

Due—May 1, 1947.

Issued, $29,000,000 **Outstanding**, $26,700,000

Interest Payable—May and November 1.

Redemption—Redeemable as a whole only at 105, on May 1, 1937, or any interest date thereafter.

Sinking Fund—A fixed annual service equal to 10% of the largest amount of bonds at any time outstanding, is provided to retire this issue at a price not exceeding 105 until May 1, 1937.

Listed—New York Stock Exchange.

Price Range	1928	1927	1926
High	108⅛	105½	105
Low	103½	102⅝	96½

Free State of Bavaria

6½% SERIAL GOLD BONDS, EXTERNAL LOAN OF 1925

Dated—August 1, 1925.

Due—Annually Aug. 1, 1926, to Aug. 1, 1945.

Authorized, $25,000,000. **Issued**, $15,000,000. **Outstanding**—$10,000,000.

Interest Payable—Feb. and Aug. 1, in U.S.A. gold coin at New York.

Denominations — Coupon bonds, $1,000, registerable as to principal only.

Redemption—Callable as a whole on Aug. 1, 1930, or any date thereafter at 100 and interest on 60 days' notice.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	99	100¼	99
Low	96¼	92⅞	94⅜

City of Bogota

8 PER CENT. EXTERNAL BONDS OF 1924

Due October 1, 1945.

Issued, $6,000,000 **Outstanding**, $5,600,000

Interest Payable—April 1 and October 1, at New York in United States gold coin.

Denominations—Coupon $1,000 and $500, registered as to principal only.

Redemption—Redeemable for sinking fund on any interest date at 105, to Oct. 1, 1934, and thereafter at 102½ as a whole or in part by lot.

Sinking Fund—Cumulative sinking fund of 2 per cent. per annum, sufficient to retire practically the entire issue by maturity.

Listed—The New York Stock Exchange.

Price Range	1928	1927	1926
High	108⅞	105½	104
Low	105	102¾	96¾

State of Bremen

The State of Bremen, one of the independent states of Germany.

10 YEAR 7 PER CENT. EXTERNAL LOAN

Due—Sept. 1, 1935.

Issued— $15,000,000.

Outstanding—$14,302,500.

Interest Payable—May 1 and September 1, at New York in United States gold coin.

Denominations—Coupon, $1,000 and $500.

Redemption—Not redeemable before maturity.

Sinking Fund—Market purchase fund of 5 per cent. per annum of amount of bonds issued, payable semi-annually beginning March 1, 1926, to be applied to purchase of bonds at not exceeding 100.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	103¼	105	102¾
Low	101⅛	99¾	92½

City of Brisbane

Founded in 1823; the capital of the State of Queensland. Population of 275,000, and the fourth largest city in Australia.

30-YEAR, 5 PER CENT BONDS

Dated—March 1, 1927.

Due—March 1, 1957.

Issued and Outstanding—$7,500,000.

Interest Payable—March and Sept. 1, in United States gold coin, at New York.

Denominations—Coupon, $1,000, registerable as to principal only.

Redemption—Not callable prior to March 1, 1947, except for sinking fund. After that date, callable as a whole on any interest date, at 100.

Sinking Fund—Operative Sept. 1, 1927, and on each semi-annual interest date thereafter, at the rate of 1 per cent. per annum. Sufficient to retire 65.8 per cent of bonds by maturity.

Special Security—In addition to being a direct obligation of the City, these bonds are also unconditionally guaranteed, as to principal and interest by the State of Queensland.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	95⅞	96¾
Low	94	93

5% THIRTY-YEAR BONDS

Dated—February, 1928.

Due—February 1, 1958.

Issued and Outstanding—$7,500,000.

Interest Payable—February and August 1, in U. S. gold coin at New York, Boston or Chicago.

Denominations—Coupon bonds, $1,000 registerable as to principal only.

Redemption—Not callable for twenty years except for sinking fund. As a whole or in part on or after February 1, 1948, or on any interest date thereafter at 100.

Sinking Fund—1% per annum, operative semi-annually and sufficient to retire 65 per cent. of the issue by maturity.

Special Security—In addition to being a direct obligation of the City of Brisbane, the bonds are unconditionally guaranteed by endorsement, as to principal and interest by the State of Queensland.

Offered—February, 1928, at 94.50 and interest to yield over 5.35%.

Kingdom of Bulgaria

7% SETTLEMENT LOAN, 1926

Dated—January 1, 1927.

Due—January 1, 1967.

Issued and Outstanding—$4,500,000.

Interest Payable—Jan. and July 1, in United States gold coin at New York.

Denominations—Coupon, $1,000 and $500.

Redemption—Callable as a whole or in part on any interest date, on or after Jan. 1, 1939, at par, and upon six months' notice having been given.

Sinking Fund—Cumulative, and operative semi-annually commencing Jan. 1, 1928, sufficient to retire the entire issue by maturity.

Special Security—In addition to being a direct obligation on the kingdom, the loan is secured by a first charge upon the following revenues:

(a) Excise duty on alcohol, beer, etc.

(b) Excise duty on salt, sugar and various imported commodities.

(c) Net receipts of the match monopoly.

(d) All payments made after Nov. 1, 1928, by settlers, for rent and interest.

Receipts from the first three sources are estimated to yield annually about $3,800,000, and additional sources of revenue are to be provided if at any time these receipts fall below 150 per cent. of the annual service requirements. These revenues are also relieved from the charge of reparation payments.

The loan is authorized and approved by the Council of the League of Nations.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	93½	94¼
Low	89¾	88⅝

Province of Buenos Aires

Is the largest province and most important in the Argentine Republic. It adjoins the separate federal district, containing the City of Buenos Aires, which is the capital of the republic. Population 3,000,000.

7% EXTERNAL BONDS

Dated—December 1, 1926.

Due—June 1, 1957.

Issued and Outstanding—$23,900,000.

Interest Payable—June and December 1.

Denominations—Coupon bonds, $1,000 and $500, registerable as to principal only.

Redemption — Callable through sinking fund only.

Sinking Fund—1% per annum operative semi-annually, either by purchase at less than par, or by call on any interest date, at par.

Special Security—In addition to being a direct obligation of the province, these bonds are secured additionally by a first charge and lien on the real estate and inheritance taxes, subject only to prior charges now existing. The maximum amount of such prior charges is $4,500,000, and the revenue from these taxes has averaged annually $13,000,000.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	101¼	96⅞
Low	96⅝	95

(Argentine Republic)

6% REFUNDING EXTERNAL BONDS

Dated—March 1, 1928.

Due—March 1, 1961.

Issued and Outstanding—$41,101,000.

Interest Payable—March and September 1, in U.S. gold coin at New York, or at London, in sterling.

Denominations—Coupon bonds, $1,000 and $500, registerable as to principal only.

Redemption—On any interest date at par on not less than twenty-five days published notice.

Sinking Fund—Operative semi-annually at par by call. Cumulative and sufficient to retire the entire issue by maturity. As an extraordinary sinking fund there will be set aside 25 per cent of any surplus of revenues at the end of each fiscal year.

Special Security—In addition to being a direct obligation of the province, the bonds, upon redemption of certain external loans (for which these bonds are issued) will be specifically secured by a charge and lien on the real estate and inheritance taxes, as well as the general portions of the commerce and industry tax, and of the license tax on alcoholic beverages, tobacco and playing cards, subject only to prior charges amounting to not more than $5,250,000. Such revenue available for service on the bonds has during the past three years equalled more than 5½ times requirements.

Offered—March, 1928, at 96½ and interest.

Listed—New York Stock Exchange.

Price Range—	1928
High	97
Low	95¼

31½-YEAR EXTERNAL 6½% BONDS OF 1924

Dated—January 1, 1924.

Due—July 1, 1955.

Issued—$8,490,000.

Outstanding—$8,156,500.

Interest Payable—Jan. and July 1, in United States gold coin at New York.

Denominations—Coupon, $500 and $1,000, registerable as to principal only.

Redemption—Callable at 100 and interest as a whole or in part on Jan. 1, 1925, or on any interest date thereafter.

Sinking Fund—A cumulative fund provides for the retirement of the entire issue by maturity, by semi-annual purchases at par beginning July 1, 1924.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	102¼	102¼	101¾
Low	100	99¼	97¼

City of Buenos Aires

The largest city in South America; the capital of the Argentine Republic and is constituted as a Federal District.

6% EXTERNAL BONDS, SERIES C-2

Dated—April 1, 1927.

Due—April 1, 1960.

Issued and Outstanding—$3,396,000.

Interest Payable—April and Oct. 1, in United States gold coin at New York.

Denominations—Coupon bonds, $500 and $1,000, the latter registerable as to principal.

Redemption—Callable as a whole or in part on 30 days' notice, at 100 and interest.

Sinking Fund—Cumulative, and sufficient to retire the entire issue at maturity, through purchases at a price not exceeding 100.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	98	98¼
Low	99	97½

Department of Caldas

The Department of Caldas, located in the central part of Colombia.

7½% 20-YEAR EXTERNAL SECURITY BONDS

Dated—January 1, 1926.

Due—January 1, 1946.

Issued—$10,000,000.

Outstanding—$9,900,000.

Interest Payable—Jan. and July 1 in U.S. gold coin at New York.

Denominations—Coupon bonds, $1,000, $500 and $100, registerable as to principal only.

Redemption—Callable as a whole on or after Jan. 1, 1923, on any interest date at 102½ and interest on 30 days' notice.

Sinking Fund—A cumulative fund operative July 1, 1926, and sufficient to retire all bonds by maturity through call by lot at 100.

Special Security—In addition to being a direct obligation of the department, these bonds are specifically secured by (1) a first charge 93% of the revenues derived from the tobacco tax; (2) a first charge on 85% of the revenues derived from the liquor tax; (3) a first charge on 50% of the revenues derived from the slaughter tax on cattle; (4) a first mortgage on the Caldas Railway; (5) a first charge and lien on the gross revenues of the Caldas Railway.

Revenue from these specific items has averaged $1,800,000 per year in the five-year period ending June 30, 1925.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	101⅞	98⅞	99
Low	98	96	95½

Municipality of Cali

Cali is the capital of the Department of Cauca Valley, Colombia.

20-YEAR, 7 PER CENT. SECURED BONDS

Dated May 1, 1927. Due May 1, 1947

Issued and Outstanding—$2,000,000.

Interest Payable—May and Nov. 1, in United States gold coin at New York.

Denominations—Coupon, $1,000 and $500.

Redemption—Callable as a whole or in part, on 30 days' notice, at 105, on or before May 1, 1932, and thereafter at a premium decreasing 1 per cent. per annum to and including May 1, 1936, and thereafter at par.

Sinking Fund—Cumulative sinking fund, commencing Nov. 1, 1927, operative semi-annually and sufficient to retire the entire issue by maturity.

Special Security—In addition to being a direct obligation of the municipality, these bonds will be secured:

(1) By a direct lien and mortgage on the waterworks and real and personal property owned by the municipality.

(2) By a first lien on all present and future revenues and taxes, excepting only (a) the municipality's participation in departmental revenues; (b) certain revenues allocated by existing laws to public instruction and charitable purposes.

The above mentioned properties are valued at $2,500,000, and revenues thus pledged yielded in 1926, $427,000; in 1925, $247,484; and in 1924, $228,170.

Not listed on any exchange.

Price Range—(Approx.)	1927
High	94
Low	92½

Department of Cauca Valley

Located in the western part of the Republic of Colombia.

20-YEAR 7½% SECURED BONDS

Dated—October 1, 1926.

Due—October 1, 1946.

Authorized and Issued—$4,000,000.

Outstanding—$3,972,000.

Interest Payable—April and Oct. 1 in United States gold coin, at New York.

Denominations—Coupon, $1,000 and $500, registerable as to principal.

Redemption—Callable for sinking fund purposes by lot at 103, as a whole or in part.

Sinking Fund—Cumulative, and operative on each semi-annual interest date, to retire the entire issue.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	103	99½
Low	98¼	96

City of Christiania (Now City of Oslo)

30-YEAR, 6% BONDS OF 1924

Due—September 1, 1954.

Issued and Outstanding—$2,000,000.

Interest Payable—March and Sept. 1.

Redemption—Redeemable as a whole at 100 on Sept. 1, 1934, or on any date thereafter on six months' notice.

Sinking Fund—Operative Sept. 1, 1929, payable semi-annually, sufficient to retire $80,000 of bonds per annum, either by purchase or drawings at a price not exceeding 100.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	101⅞	102⅝	102½
Low	99¾	100	99

City of Cologne

Cologne is the third largest city in Germany.

26-YEAR 6½% MUNICIPAL EXTERNAL LOAN OF 1925

Dated—March 15, 1925.

Due—March 15, 1950.

Issued—$10,000,000.

Outstanding—$9,500,000.

Interest Payable—March and Sept. 15, at New York in United States gold coin.

Denominations—Coupon, $1,000 and $500, registerable as to principal only.

Redemption—Callable as a whole or in part at 100 and interest on March 15, 1930, and on any interest date thereafter on six months' notice.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	99¾	104¼	98⅞
Low	96¼	93⅝	91

City of Copenhagen

25-YEAR, 5½% REDEEMABLE BONDS

Dated July 1, 1919. Due July 1, 1944.

Authorized and Issued—$15,000,000.

Outstanding—$12,750,000.

Interest Payable—January and July 1, in gold coin of the U. S. A.

Denominations—Coupon bonds, $1,000 and $500, registerable as to principal only.

Redemption—Callable only for sinking fund.

Sinking Fund—Operative July 1, 1925, and annually thereafter, at the rate of $750,000 per annum.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	102	101½	101
Low	99¾	99¼	98¼

Province of Cordoba

Cordoba is the second largest province of Argentina.

EXTERNAL 17½-YEAR 7% BONDS OF 1925

Dated—Jan. 1, 1925. **Due**—July 1, 1942.

Issued, $5,943,000. **Outstanding**, $5,464,000.

Interest Payable—Jan. and July 1, in U. S. A. gold coin at New York or Boston.

Denominations—Coupon, $1,000 and $500, registerable as to principal only.

Redemption — Callable for sinking fund purposes only.

Sinking Fund—Operative on every interest date on and after July 1, 1925, by semi-annual drawings at par, at the rate of 3% per annum, on 15 days' notice.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	101¼	100	99¼
Low	98¾	96½	95¾

Republic of Costa Rica

Adjoins Panama on the north, and extends from the Atlantic to the Pacific.

7% EXTERNAL SECURED BONDS OF 1926

Dated Nov. 1, 1926 Due Nov. 1, 1951

Issued and Outstanding—$8,000,000.

Interest Payable—May and Nov. 1, in United States gold coin at New York.

Denominations — Coupon interchangeable bonds of $1,000 and $500.

Redemption—Callable as a whole or in part on Nov. 1, 1936, or an interest date thereafter, at 100.

Sinking Fund—A cumulative fund, operative by purchase, at or below 100, and sufficient to retire the entire issue by maturity.

Special Security—In addition to being a direct obligation of the Republic, these bonds are specifically secured by a direct charge upon (1) the gross revenues of the Republic from customs duties (subject only to a prior lien involving an annual charge not exceeding $583,200. (2) gross revenues from the Republic monopoly of liquors and alcohol (subject only to a prior charge amounting to $113,000, which is in process of being retired).

Gross revenues from these sources for the four years ending Dec. in 1925, amounted to $3,811,224, annually, before deducting the charges which constitute a prior loan.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	99½	97½
Low	94½	93½

Department of Cundinamarca

(Republic of Colombia)

The largest of any department of Colombia. Population 1,250,000. The City of Bogota, the capital of Cundinamarca and its largest city, is also the capital of the Republic.

EXTERNAL SECURED 6½% BONDS, 1928

Dated—May 1, 1928.

Due—November 1, 1959.

Issued and Outstanding—$12,000,000.

Denominations—Coupon bearer bonds in denominations of $1,000.

Interest Payable—New York in United States gold coin May 1 and November 1.

Redemption—As a whole or part at Department's option on any interest date at par and accrued.

Sinking Fund—Cumulative and calculated to retire all bonds by maturity, by semi-annual drawings by lot.

Special Security—In addition to being a direct obligation of the Department, will be secured by a direct first lien and charge upon gross revenues of Department from its monopoly on distilled liquors and from all taxes and duties upon fermented liquors, foreign liquors, slaughter houses and tobacco, after deducting all municipal participation in such revenues. Revenues so pledged are to be at all times at least two times annual service charge of bonds.

Price—Offered May, 1928, at 93½, to yield over 7.14%.

Dominican Republic

Occupies the eastern portion of the Island of Haiti.

ADMINISTRATION BONDS 5½ PER CENT. CUSTOMS

Due Oct. 1, 1940.

Issued and Outstanding—$5,000,000.

Denominations—$500 and $1,000.

Interest Payable—New York, in United States funds, on April 1 and Oct. 1.

Sinking Fund—Sinking fund commencing Aug. 20, 1930, sufficient to retire entire issue by maturity, provides for purchase in open market or call by lot at 101 and interest, beginning Oct. 1, 1931, of at least one-tenth of the issue each year.

Special Security—Direct and general obligation of the Dominion Republic and, in accordance with the Convention of 1924 between the Dominican Republic and the United States, will be specifically secured by a charge upon customs revenues, which the Republic agrees shall be collected during the life of the bonds by an official appointed by the President of the United States. These bonds are to be a first charge on the customs revenue subject only to the expenses of their collection and the prior charge of the 5½ per cent. loan of 1922.

Listed—New York Stock Exchange.

Price Range	1928	1927
High	100¼	101
Low	98	97⅝

20 YEAR, 5½ PER CENT. CUSTOMS ADMINISTRATION BONDS

Due March 1, 1942.

Issued and Outstanding—$10,000,000.

Denominations—Coupon bonds, $1,000.

Interest Payable—New York, in United States funds, on March 1 and Sept. 1.

Redemption—Callable March 1, 1931, or on any interest date thereafter at 101 and interest.

Sinking Fund—Sinking fund commencing April 1, 1930, sufficient to retire loan in full by maturity, provides for purchase in market or call by lot at 101 and interest, beginning March 1, 1931, of at least one-twelfth of issue each year.

Special Security—The government agrees that during the life of loan customs duties will be collected by an official appointed by the President of the United States, and that this loan will be a direct lien on these customs revenues. These bonds are to be a first charge on the customs revenues subject only to the expenses of their collection. The government agrees that during the terms of this loan no future bonds of the Republic will be issued secured by customs revenues unless the annual average customs revenues for the five years immediately preceding amount to at least 1½ times the total charges on all obligations secured by customs revenues, including charges for any new loan, and that the present customs tariff will not be changed during the life of this loan without previous agreement between the Dominican government and the government of the United States.

Listed—New York Stock Exchange.

Price Range	1928	1927	1926
High	100⅞	100¼	100
Low	98½	98¼	93⅞

City of Duisburg

Situated at the junction of the Rhine and Ruhr Rivers in Germany.

SERIAL 7% EXTERNAL LOAN

Dated Nov. 1, 1925.

Due—Serially, at the rate of $150,000 per year, commencing Nov. 1, 1926, and continuing annually at prices varying from par in 1926 to 93⅝ in 1945, the date of the last payment.

Issued, $3,000,000; **Outstanding**, $2,850,000.

Interest Payable—May and Nov. 1, in U.S.A. gold coin at New York or Chicago.

Denominations—Coupon, $1,000.

Redemption—Callable as a whole or in part on Nov. 1, 1930, or on any interest date thereafter on 60 days' notice.

Not listed on any exchange.

Price Range (on a yield basis of 103)—	1927
High (approx.)	6.80
Low (approx.)	7.15

Dutch East Indies

Extend roughly from the Malay Peninsula to Australia, and include Java, Sumatra, Celebes and the Dutch portions of Borneo and New Guinea.

25-YEAR, 6% EXTERNAL BONDS

Due—January 1, 1947.

Issued and Outstanding—$40,000,000.

Denominations—Coupon bonds $500 and $1,000, registerable as to principal only.

Interest Payable—New York, in United States funds, on Jan. 1 and July 1.

Redemption—Redeemable as a whole at the option of the government at par and interest on or after Jan. 1, 1932, or in part for sinking fund purposes only.

Sinking Fund—Commencing 1932, sinking fund provides annual sums sufficient to redeem one-fifteenth of the amount outstanding on Jan. 1, 1932. These funds to be applied to the redemption of bonds by lot at par.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	105⅜	105¾	106⅜
Low	103	102¼	102

30-YEAR, 5½% EXTERNAL BONDS

Due—March 1, 1953.

Issued and Outstanding—$25,000,000.

Denominations—Coupon bonds $500 and $1,000, registerable as to principal only.

Interest Payable—New York, in United States funds, on March 1 and September 1.

Redemption—Redeemable on March 1, 1933, and on any interest date thereafter, as a whole or in part, at par and interest

Sinking Fund—Sinking fund to retire entire issue of bonds by maturity through annual payments sufficient to redeem each year, commencing March 1, 1934, one-twentieth of the amount of bonds outstanding on March 1, 1933. To be applied through purchase at not exceeding par and interest or through call by lot at par and interest.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	104¼	104¼	104½
Low	102	100⅜	101⅛

40-YEAR, 6% EXTERNAL BONDS

Due—March 1, 1962.

Issued and Outstanding—$60,000,000.

Denominations—Coupon bonds, $500 and $1,000, registerable as to principal only.

Interest Payable—New York in United States funds on March 1 and Sept. 1.

Redemption — Redeemable on March 1, 1932, and on any interest date thereafter as a whole or in part at par and interest.

Sinking Fund—Commencing 1933 annual sinking fund payments sufficient to redeem each year one-thirtieth of the amount of the issue outstanding at March 1, 1932. These funds to be applied to the retirement of bonds through purchase at not exceeding par and interest, or through call by lot at par and interest.

Listed—New York Stock Exchange.

Price Range	1928	1927	1926
High	105½	105¾	106½
Low	103	102¼	103

The French Cities

The "French cities" are three in number and comprise Bordeaux, Lyons, and Marseilles.

6% NON-CALLABLE BONDS

City of Lyons, $7,409,200; City of Marseilles, $7,409,100; City of Bordeaux, $7,961,000.

Dated—Nov. 1, 1919. **Due**—Nov. 1, 1934.

Authorized—$15,000,000 for each city.

Issued—The total amount of bonds have been issued, the remainder ($22,779,300) having been issued in 1919.

Redemption—The bonds are non-callable.

Interest Payable—May 1 and November 1, at New York in U. S. gold coin, without deduction for any French taxes of any sort, present or future.

Listed—New York Stock Exchange.

Price Range	1928	1927	1926
High	101⅜	100¾	93¾
Low	99⅝	93⅜	81¼

City of Heidelberg

25-YEAR, 7½ PER CENT. EXTERNAL BONDS

Dated July 1, 1925. Due July 1, 1950.

Issued, $1,500,000. **Outstanding**, $1,477,500.

Interest Payable—Jan. and July 1.

Denominations—$1,000 and $500.

Redemption — Callable on any interest date at 105.

Sinking Fund—A cumulative fund, of 1½ per cent., operative Jan. 1, 1927, to purchase bonds at 105 or less, and sufficient to retire the entire issue by maturity.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	105½	106	104¼
Low	103	101	96⅛

Municipality of Medellin

Medellin is the capital of Antioquia, the largest and most populous department of Colombia.

25-YEAR EXTERNAL 7 PER CENT. BONDS OF 1926

Dated Dec. 1, 1926. Due Dec. 1, 1951.

Issued, $3,000,000. **Outstanding**, $2,900,000.

Interest Payable—June and Dec. 1, in United States gold coin, at New York.

Denominations—Coupon, $1,000 and $500, registerable as to principal only.

Redemption—Callable as a whole at the option of the municipality, at 105 and accrued interest from Dec. 1, 1931, until June 1, 1941; at 102½ and accrued interest until June 1, 1949; and at 100 on and after that date.

Sinking Fund—Cumulative, payable semi-annually at the rate of 2 per cent. per annum, at or below par.

Special Security—In addition to being a direct obligation of the municipality, these bonds are secured by a mortgage on the public utility properties owned by the municipality, subject to a prior lien of $2,820,000.

Listed—New York Curb.

Price Range—	1928	1927
High	101	96
Low	92½	91

6½% EXTERNAL BONDS OF 1928

Dated—June 1, 1928.

Due—December 1, 1954.

Issued and Outstanding—$9,000,000.

Interest Payable—June and December 1, in U. S. gold coin at New York.

Denominations—Coupon bonds, $1,000 and $500, registerable as to principal only.

Redemption—By sinking fund only.

Sinking Fund — Cumulative, semi-annual, sufficient to retire all the bonds at or before maturity, through purchase at or below the face amount, or if not obtainable by drawings by lot at face amount on 20 days' notice.

Purpose—To retire the 25-year External 8% Secured Bonds, and other municipal purposes.

Offered—July, 1928, at 93¼ to yield over 7.05%.

Province of Mendoza

Mendoza, one of the largest provinces in the Argentina Republic.

EXTERNAL 7½ PER CENT. SECURED BONDS

Dated Dec. 1, 1926. Due June 1, 1951.

Issued and Outstanding—$6,500,000.

Interest Payable—June and Dec. 1, in United States gold coin, at New York.

Denominations—Coupon, $1,000 and $500, registerable as to principal.

Redemption—Callable on and after Dec. 1, 1930, as a whole or in part on 60 days' notice, at par.

Special Security—In addition to being a direct and unconditional obligation of the province, the bonds are specifically secured by the following tax revenues:

(a) A first and exclusive charge upon 1.50 pesos per hectoliter of the wine export tax.

(b) A first and exclusive charge upon 40 per cent. of the land tax.

(c) A first and exclusive charge upon 40 per cent. of the wine and grape production taxes.

The average annual income from these pledged taxes, is over $3,300,000.

Listed—New York Curb.

Price Range—	1928	1927
High	100¾	99¼
Low	96⅛	95½

City of Milan

Milan is the second largest city in Italy.

6½ PER CENT. EXTERNAL LOAN OF 1927

Due April 1, 1952.

Issued and Outstanding—$30,000,000.

Interest Payable—January 1 and July 1, at New York in United States gold coin without any deduction for Italian taxes.

Denominations—$100; $500; $1,000. Coupon bonds, interchangeable.

Redeemable—As a whole (but not in part, except through operation of sinking fund) on April 1, 1937, or on any interest date thereafter prior to maturity on 45 days' notice at 100.

Sinking Fund—Operative Jan. 1, 1928, a cumulative sinking fund in semi-annual instalments, sufficient to retire issue at or before maturity.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	94¾	94
Low	91½	89

State of Minas Geraes

(United States of Brazil)

The State of Minas Geraes is a self-governing member of the Brazilian Federation, its relation to the Federal Government being in many respects that of the sovereign state of the United States of America to the Federal Government. It is situated in the approximate geographical centre of Brazil, and is the largest of the Brazilian States.

6½% SECURED EXTERNAL BONDS OF 1928

Dated—March 1, 1928.

Due—March 1, 1958.

Issued and Outstanding—$8,500,000.

Interest Payable—March and September 1, in U. S. gold coin at New York, or in sterling at London.

Denominations—Coupon bonds, $1,000 and $500, registerable as to principle only.

Redemption — Non-redeemable except through operation of cumulative sinking fund.

Sinking Fund—Cumualtive and semi-annual, operative September 1, 1928, and thereafter by lot at par.

Special Security—In addition to being a direct obligation of the State, these bonds are specifically secured by a charge on revenue derived from the Transfer Tax and from the Loan Tax. The State undertakes to pledge another tax on other taxes should the proceeds of the land and transfer taxes in any fiscal year produce less than an amount equal to one and one-half times the annual service requirements of this loan.

Offered—March, 1928, at 97½ and interest, to yield 6.69%.

Listed—New York Curb.

Price Range—	1928
High	97⅛
Low	97½

City of Montevideo

Montevideo is the capital of Uruguay.

7 PER CENT. EXTERNAL BONDS.

Due June 1, 1952.

Issued, $6,000,000. **Outstanding**, $5,774,000.

Interest payable—June and Dec. 1.

Redemption—Redeemable as a whole at 100, on any interest date after June 1, 1937.

Sinking Fund—The municipality covenants to pay semi-annually the sum of $30,000 up to June 1, 1937, for the purchase of bonds not exceeding par, and thereafter a sum sufficient to purchase at not exceeding par, or draw semi-annually at par 1/30th of the bonds outstanding on June 1, 1937.

Special Security—In addition to being a direct obligation of the city, the loan is a specific charge on the receipts from sanitation and lighting taxes and "Impuesto de Rodados" (a road tax), subject only to the London loan, now about $4,765,000 outstanding, with a present annual service of about $372,000. Receipts from this source have averaged $1,148,781 per annum for the five year period ending 1921.

Listed—New York Stock Exchange.

Price Range	1928	1927	1926
High	104¾	104¼	102½
Low	102⅜	99¾	96

City of Munich

Munich is the capital of Bavaria.

7% SERIAL BONDS (EXTERNAL LOAN)

Dated—August 1, 1925.

Due—Serially August 1, 1926, to 1945.

Issued, $8,700,000. **Outstanding**, $8,265,000.

Interest Payable—Feb. and Aug. 1, in U.S.A. gold coin at New York or Chicago.

Denominations—Coupon, $1,000.

Redemption—Callable as a whole or in part on or after Aug. 1, 1930, on any interest date, at 103, on 60 days' notice.

Not listed on any exchange.

Price Range (on yield basis)—	1927
High (approx.)	6.80
Low (approx.)	7.15

State of New South Wales

5 PER CENT. EXTERNAL SINKING FUND BONDS

Due April 1, 1958.

Issued — $25,000,000. **Outstanding** — $24,900,000.

Interest payable—April and Oct. 1, in New York in gold.

Redemption—Callable as a whole only on April 1, 1942, or on any date thereafter, at 100 and interest.

Sinking Fund—Cumulative sinking fund, payable semi-annually, calculated to retire at least one-half of the bonds by maturity, either by purchase or drawings at a price not exceeding 100.

Listed—New York Stock Exchange.

Price Range	1928	1927
High	96¼	95⅝
Low	94½	94

30-YEAR, 5 PER CENT. EXTERNAL BONDS

Dated—Feb. 1, 1927 **Due**—Feb. 1, 1957

Issued — $25,000,000. **Outstanding** — $24,900,000.

Interest Payable—February and August 1.

Denominations—Coupon bonds, $1,000 and $500, not interchangeable.

Redemption—Callable on and after Feb. 1, 1942, on any interest date on 30 days' notice at par.

Sinking Fund—Operative at par on Feb. 1 of each year, and sufficient to retire the entire issue by maturity.

Listed—New York Stock Echange.

Price Range.	1928	1927
High	96	95¾
Low	94⅜	94

City of Nuremberg

Is the second largest city of Bavaria.

6% EXTERNAL LOAN, 25-YEAR BONDS

Dated Aug. 1,1927 Due Aug. 1, 1952

Issued and Outstanding—$5,000,000.

Interest Payable—Feb. and Aug. 1, in United States gold coin, at New York

Denominations—Coupon, $1,000.

Redemption—Callable on or after Aug. 1, 1932, in whole or in part on any interest date.

Sinking Fund—Cumulative, and payable in semi-annual instalments, commencing with the first interest date. Sufficient to retire annually $320,000 bonds, at par.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	93¾	95½
Low	92	91⅛

City of Oslo

The capital of Norway, it was formerly called Christiania.

20-YEAR, 5½% BONDS

Dated Feb. 1, 1926. Due Feb. 1, 1946.

Issued, $4,000,000. **Outstanding**, $3,800,000.

Interest Payable—Feb. and Aug. 1 in United States gold coin at New York.

Denominations—Coupon, $1,000 and $500.

Redemption—Callable as a whole at par on any interest date on or after Feb. 1, 1931, on six months' previous notice.

Sinking Fund—Commencing Feb. 1, 1927, and payable in quarterly instalments, a sum sufficient to retire $210,000 per annum, at or below par.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	102	100⅝
Low	99¼	97

30-YEAR, 6% BONDS,

Due May 1, 1955.

Issued and Outstanding—$8,000,000.

Interest Payable—May and November 1, in New York in U.S.A. gold coin.

Denominations—Coupon bonds, $1,000 and $500.

Redemption—Callable as a whole at par on any interest date on or after May 1, 1935, on six months' previous notice.

Sinking Fund—Operative semi-annually on and after May 1, 1930, a sum sufficient to retire annually $320,000 bonds, at par.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	103	103½	102¼
Low	100⅛	99⅞	98½

Republic of Panama

30-YEAR, 6½ PER CENT. EXTERNAL SECURED BONDS

Dated Dec. 1, 1926. Due Dec. 1, 1956

Issued, $2,200,000. **Outstanding**, $2,125,000.

Interest Payable—June and Dec. 1, in United States gold coin, at New York.

Denominations—Coupon, $1,000 and $500, registerable as to principal only.

Redemption—Callable as a whole or in part on any interest date prior to maturity, on not less than 60 days' notice, at 103 on or before Dec. 1, 1936; at 102 thereafter until Dec. 1, 1946, and at 101 thereafter.

Sinking Fund—On or before the tenth day of every month, the Republic, under the terms of the loan, must remit $14,667 to the Fiscal Agent, for the payment of interest, the remainder to be applied as sinking fund which is calculated to retire the entire issue by maturity.

Special Security—In addition to being a direct obligation of the Republic, the bonds are specifically secured by a first charge on income derived from the retail liquor tax. Such revenues over the past five years have averaged $537,000. If in any years, these revenues fall below $500,000, other taxes will be pledged as security.

Fiscal Agent—National City Bank of New York.

Not listed on any exchange

Price Range—	1927
High (approx.)	103
Low (approx.)	100½

State of Pernambuco

The most easterly of the north Atlantic states of Brazil.

7% EXTERNAL SECURED BONDS

Dated March 1, 1927 Due March 1, 1947.

Authorized, $8,000,000. **Issued**, $6,000,000.

Outstanding—$5,900,000.

Interest Payable—March and Sept. 1, at New York in U.S.A. gold coin.

Denominations—Coupon, $1,000 and $500, registerable as to principal.

Redemption.—.Callable as a whole on March 1, 1932, or any interest date thereafter at 100 and interest, upon 60 days' notice.

Sinking Fund — Operative semi-annually, sufficient to retire the entire issue by maturity, at purchases up to 100.

Special Security—In addition to being a direct obligation of the state, these bonds are secured specifically by (a) first lien on the payment by the Government of Brazil to the state of a 2% gold tax on imports through the Port of Pernambuco; (b) first lien on the net revenues of the Port; and (c) lien on the export taxes of the State subject only to an existing charge of $291,996 per annum.

The average annual yield of the pledged revenues for the five years ended December 31, 1926, after deducting the existing charge on export taxes, amounts to $1,988,402.

Listed—New York Stock Exehange.

Price Range—	1928	1927
High	98½	97
Low	95½	93⅛

Free State of Prussia

Prussia comprises more than 60 per cent. of the total area and population of Germany. Population 38,000,000.

6½% BONDS, EXTERNAL LOAN OF 1926

Dated Sept. 15, 1926. Due Sept. 15, 1951.

Issued and Outstanding—$20,000,000.

Interest Payable—March and September 15.

Denominations—Coupon, $1,000.

Redemption—Callable at the option of the State, on six weeks' notice, as a whole or in part on and after Sept. 15, 1931, at 100.

Sinking Fund—Bonds are callable annually by lot for the sinking fund, which commences September 15, 1932, and retires a regularly increasing amount each year, sufficient to retire 50 per cent. of the entire issue by maturity.

Listed—New York Curb.

Price Range—	1928	1927
High	98¾	100⅞
Low	95¾	95

6% EXTERNAL LOAN OF 1927

Dated—October 15, 1927.

Due—October 15, 1952.

Issued and Outstanding—$30,000,000.

Interest Payable—April and October 15.

Denominations—Coupon bonds, $1,000.

Redemption—Not redeemable prior to Oct. 15, 1934, except for sinking fund. Then, or on any interest date thereafter in whole or part, on six weeks notice, at 100 and interest.

Sinking Fund—Operative October 15, 1928, annually and increasing progressively sufficient to retire the entire issue by maturity, callable by lot at 100.

Listed—New York Curb.

Price Range—	1928	1927
High	93⅞	96⅜
Low	91½	91

State of Queensland

20-YEAR, 7% EXTERNAL LOAN BONDS

Dated—October 1, 1921.

Due—October 1, 1941.

Issued—$12,000,000.

Outstanding—$12,000,000.

Interest Payable—April and Oct. 1, in United States gold coin at New York.

Denominations—$1,000 and $500, registerable as to principal only.

Redemption—Non-callable except for sinking fund.

Sinking Fund—$400,000 annually in quarterly instalments commencing Jan. 1, 1922, and continuing for five years; for each of the remaining years, sums sufficient to retire at 102½, at least 1-1/15 of the amount of bonds outstanding Dec. 31, 1926.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	115⅞	116	114¼
Low	113⅜	111	110

State of Rio Grande Do Sul

Has a population of 2,000,000 and is the principal sheep, cattle and stock-raising state of Brazil.

40-YEAR, 7% EXTERNAL LOAN OF 1926

Dated—November 1, 1926.

Due—November 1, 1966.

Issued and Outstanding—$10,000,000.

Interest Payable—May and Nov. 1, in United States gold coin, at New York, Boston and Chicago.

Denominations—Coupon, $500 and $1,000, registerable as to principal.

Redemption—Callable on and after Nov. 1, 1931, at 100 and accrued interest.

Sinking Fund—A fixed annuity of $747,697 a year, payable in semi-annual instalments, will be deposited by the State to provide interest and sinking fund payments. The sinking fund is calculated to retire the entire issue at or before maturity.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	100	98¼
Low	99⅛	96½

City of Rio de Janeiro

The capital of the United States of Brazil, controlled and administered by the Brazilian Government.

8% SINKING FUND BONDS

Due—October 1, 1946.

Issued—$12,000,000.

Outstanding—$9,100,000.

Interest Payable—Redeemable as a whole or in part at 105 on Oct. 1, 1931, or on any interest date thereafter, on six months' notice.

Sinking Fund — Sufficient to purchase $240,000 of bonds semi-annually at not exceeding 105. Any balance not expended at the end of six months reverts to Federal District.

Special Security—The receipts from the vehicles tax, the sanitary tax, and the Imposto de Laudemics (a realty tax) and the equity in the licenses tax, cattle tax and property transmission tax have been allocated to the service of this loan.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	110¼	106⅛	104
Low	105	102¼	97¼

City of Rome

6% EXTERNAL LOAN OF 1927

Due—April 1, 1952.

Issued—$30,000,000.

Outstanding—$29,900,000.

Interest Payable—April and Oct. 1, at New York in gold coin of the United States, without deduction for any Italian taxes.

Denominations—$100, $500, $1,000, coupon bonds.

Redemption—Callable as a whole only at 100 on April 1, 1937, or at any interest date thereafter, on 45 days' notice.

Sinking Fund — Semi-annual cumulative sinking fund operative April 1, 1928, sufficient to retire the entire issue by maturity.

Special Security—In addition to its ordinary municipal revenues, the city receives annuities from the Kingdom of Italy, for a period of 25 years.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	96½	94
Low	91½	89⅛

City of Rotterdam

40-YEAR EXTERNAL LOAN, 6% BONDS

Dated May 1, 1924. Due May 1, 1964.

Authorized and Issued—$6,000,000.

Outstanding—$5,900,000.

Interest Payable—May and November 1, in New York in U. S. A. gold coin

Denominations—Coupon bonds, $1,000 and $500, registerable as to principal only.

Redemption—Callable on or after May 1, 1934, in whole or in part, at par on 30 days' notice.

Sinking Fund—$200,000 per annum during the first five years; $150,000 per annum during next five years, to be applied to the purchase of bonds at 100.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	106	106	107
Low	104	102½	103

City of Saarbruecken

Saarbruecken is the capital and largest city in the Saar Territory.

6% EXTERNAL BONDS

Dated—July 1, 1927.

Due—January 1, 1953.

Issued and Outstanding—$3,000,000.

Interest Payable—Jan. and July 1, in United States gold coin, at New York.

Denominations—$1,000 and $500.

Redemption—Callable on and after Jan. 1, 1933, on two months' notice, as a whole or in part at 100 and interest.

Sinking Fund—Payable semi-annually beginning Jan. 1, 1928, sufficient to retire the entire loan by maturity.

Special Security—Payable principal, interest and sinking fund from the duties, taxes, and general revenues of the city, which as the capital of the Saar basin, is administered until 1935 by the League of Nations as trustee.

Listed—New York Curb.

Price Range—	1928	1927
High	94⅜	95
Low	91	95

City of Sante Fe

Is the capital of the Province of Santa Fe.

7% EXTERNAL SECURED BONDS

Dated—April 1, 1927.

Due—April 1, 1945.

Issued and Outstanding—$2,122,500.

Interest Payable—April and Oct. 1, in United States gold coin, at New York.

Denominations—Coupon, $1,000 and $500, registerable as to principal only.

Redemption—Callable on and after April 1, 1928, on not less than 60 days' notice, at 100.

Sinking Fund—Cumulative, at the rate of 3 per cent. per annum payable semi-annually, operative Oct. 1, 1927. Bonds are callable by lot at 100 on 10 days' notice.

Sinking Fund—Cumulative, at the rate of 3 per cent. per annum, payable semi-annually, operative Oct. 1, 1927. Bonds are callable by lot at 100 on 10 days' notice.

Special Security—In addition to being a direct obligation of the City of Sante Fe, these bonds are secured by a full lien on the gross receipts of the Municipal Electric Light & Power Co., which is owned by the city. Such revenues are pledged during the service of the loan to produce annually at least 1½ times the service requirements of the bonds.

Listed—New York Curb.

Price Range—	1928	1927
High	99½	95½
Low	93½	91¼

City of Sao Paulo

The capital of the state of that name, and the second largest city in Brazil.

30-YEAR, 6½% EXTERNAL SECURED BONDS OF 1927

Dated May 15, 1927. Due May 15, 1957.

Issued and Outstanding—$5,900,000.

Interest Payable—May and November 15.

Denominations—Coupon, $1,000 and $500, registered as to principal only.

Redemption—Callable as a whole on May 15, 1928, or on any interest date thereafter, on 90 days' notice at 102½.

Sinking Fund—A cumulative fund operative semi-annually at par and sufficient to retire the entire issue by maturity.

Price Range—	1928	1927
High	100¼	97⅞
Low	96¾	96⅝

Department of the Seine

20-YEAR, 7% EXTERNAL BONDS

Dated Jan. 14, 1922. Due Jan. 1, 1942.

Issued and Outstanding—$25,000,000.

Interest Payable—Jan. and July 1, in United States gold coin at New York.

Denominations—Coupon, $1,000 and $500.

Redemption—Callable as a whole upon 90 days' notice, on Jan. 1, 1932, at 105 and interest, or on Jan. 1 of any subsequent year, at a price decreasing ¼ per cent. per annum for each year after 1932.

Sinking Fund—None provided.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	106¾	105	98⅜
Low	103⅝	97⅝	84

City of Tokio

5½% GUARANTEED EXTERNAL LOAN OF 1927

Due Oct. 1, 1961.

Issued and Outstanding—$20,500,000.

Interest—Payable April and October 1, at New York, in United States gold coin without deduction for any Japanese taxes, present or future.

Redemption—Redeemable as a whole or in part at 100 on April 1, 1942, or on any interest date thereafter.

Sinking Fund—Cumulative sinking fund of 1 per cent. per annum, operative semi-annually and sufficient to retire the entire issue by maturity. Commences Oct. 1, 1927, either through purchases at not exceeding 100, or through drawings.

Special Security—Unconditionally guaranteed as to principal, interest and sinking fund by the Imperial Japanese government.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	95	90½
Low	87½	86

City of Trondhjen

The former capital of Norway, it is the third largest city of the kingdom.

30-YEAR, 5½% EXTERNAL BONDS

Dated May 1, 1927. Due May 1, 1957.

Issued and Outstanding—$2,750,000.

Interest Payable—May and Nov. 1, in United States gold coin, at New York.

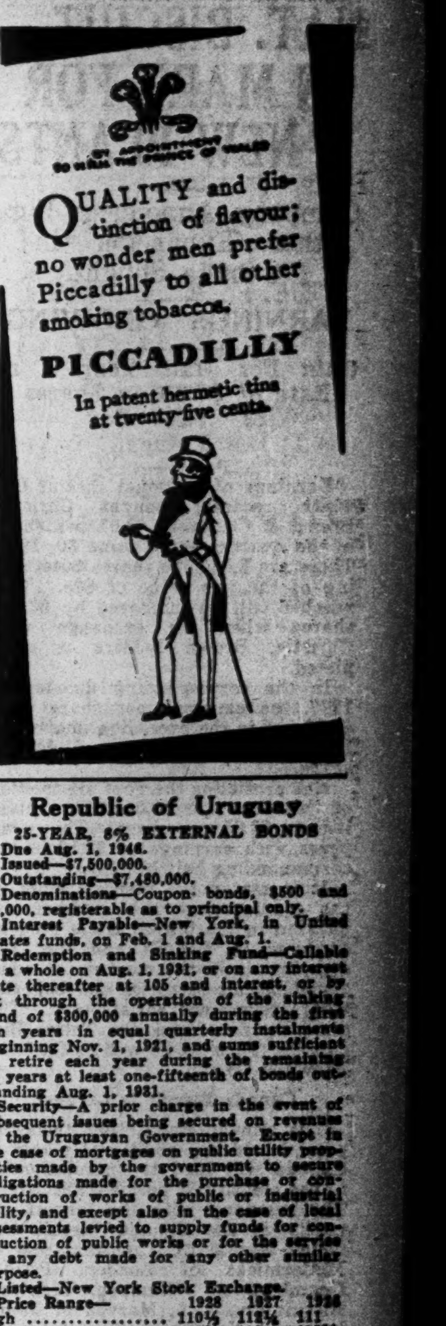
Denominations — Coupon interchangeable bonds of $1,000 and $500, registerable as to principal.

Redemption—Callable as a whole only (except for operation of sinking fund) at par on 60 days' notice.

Sinking Fund—Operative Aug. 1, 1932, semi-annually at 100, sufficient to retire the entire issue, on or before maturity.

Listed—New York Stock Exchange.

Price Range—	1928	1927
High	99½	98⅞
Low	97½	96⅝


QUALITY and distinction of flavour; no wonder men prefer Piccadilly to all other smoking tobaccos.
PICCADILLY
In patent hermetic tins at twenty-five cents.

Republic of Uruguay

25-YEAR, 8% EXTERNAL BONDS

Due Aug. 1, 1946.

Issued—$7,500,000.

Outstanding—$7,480,000.

Denominations—Coupon bonds, $500 and $1,000, registerable as to principal only.

Interest Payable—New York, in United States funds, on Feb. 1 and Aug. 1.

Redemption and Sinking Fund—Callable as a whole on Aug. 1, 1931, or on any interest date thereafter at 105 and interest, or by lot through the operation of the sinking fund of $300,000 annually during the first ten years in equal quarterly instalments beginning Nov. 1, 1921, and sums sufficient to retire each year during the remaining 15 years at least one-fifteenth of bonds outstanding Aug. 1, 1931.

Security—A prior charge in the event of subsequent issues being secured on revenues of the Uruguayan Government. Except in the case of mortgages on public utility properties made by the government to secure obligations made for the purchase or construction of works of public or industrial utility, and except also in the case of local assessments levied to supply funds for construction of public works or for the service of any debt made for any other similar purpose.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	110½	112¾	111
Low	108¼	108	107½

City of Vienna

In addition to being the capital of Austria, Vienna also constitutes the State of Vienna, an autonomous political entity, one of the nine states comprising the Federation of Austria. Poulation 1,900,000. The state and the city are identical as to territory, population and taxing powers.

6% EXTERNAL LOAN BONDS

Dated Nov. 1, 1927. Due Nov. 1, 1952.

Issued and Outstanding—$30,000,000.

Interest Payable—May and November 1, in gold coin in New York.

Denominations—Coupon bonds, $1,000 and $500, registerable as to principal.

Redemption—Callable as a whole or in part at 100 on any interest date.

Sinking Fund — Cumulative semi-annual fund sufficient to retire the entire issue by maturity.

Listed—New York Curb.

Price Range—	1928	1927
High	93½	90¾
Low	89	90½

6% EXTERNAL LOAN BONDS

Dated—November 1, 1927.

Due—November 1, 1952.

Issued and Outstanding—$30,000,000.

Denominations—Coupon bonds, $1,000 and $500, registerable as to principal only.

Interest Payable—May and November 1, at New York in U. S. gold.

Redemption—As a whole or in part at par, on any interest date on 30 days notice.

Sinking Fund—Cumulative and semi-annual sufficient to retire the entire issue by maturity.

Listed—New York Curb.

Offered—November 1, 1927, at 90½ and interest.

Price Range—	1928	1927
High	93½	90¾
Low	89	90½

City of Yokohama

6% GUARANTEED EXTERNAL LOAN OF 1928

Due December 1, 1961.

Issued and Outstanding—$19,740,000.

Interest Payable—June 1 and December 1, at New York in United States gold coin without deduction for any Japanese taxes.

Redemption—Redeemable as a whole or in part at 100 on December 1, 1941, or on any interest date thereafter.

Sinking Fund—Cumulative sinking fund of 1 per cent. per annum, sufficient to retire entire issue by maturity. Operative January, June 1, 1928, either through purchases at not exceeding 100, or through drawings.

Special Security — Unconditionally guaranteed as to principal, interest and sinking fund by the Imperial Japanese Government.

Listed—New York Stock Exchange.

Price Range—	1928	1927	1926
High	100	97⅛	94
Low	94	92	96

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To fill orders that have come in from many investors, we would like to buy back a few copies of the above book. The issue of 14,000 copies is now completely sold out and we are not in a position to fill orders on hand unless some of those who bought substantial numbers of the book for distribution have on hand a few copies that they can let us have.

This offer does not apply to copies surprinted with the name of a broker or investment house.

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TORONTO

NAT. BISCUIT IN MART FOR NEW PLANTS

Company Announces Further Expansion in Canada Sought

EARNINGS GROWING

Gain For Half Year is at Rate of $7.30 on Shares of $25 Par Value

Earnings of National Biscuit Co., which recently bought Christie, Brown & Co., were $2.01 per share in the quarter ended June 30, 1928. There are 2,046,520 shares outstanding of the par value of $25. This number will be increased by 63,000 shares when the exchange with Christie, Brown holders is completed.

In the corresponding quarter of 1927, the earnings per share were $1.90 and in the preceding quarter of 1928, the earnings were $1.64 per share.

Net profit for the first six months of this year was $8,355,072, equivalent to $3.65 per share. This compares with earnings of $3.52 in the corresponding half of 1927.

It is stated by interests close to the management that further expansion in the biscuit trade may be expected in Canada and that the company is in the market for additional biscuit factories and bakeries where terms are satisfactory. The company now owns the Telfer Biscuit Co., Toronto, as well as Christie, Brown & Co.

Canada Biscuit Is Largest

The announcement that the company would buy additional plants in Canada will lead to speculation as to the identity of possible purchases. The company with the largest capacity is the Canada Biscuit Co., which was a 1925 consolidation of McCormicks of London, Paulin-Chambers of Winnipeg, Montreal Biscuit Co., J. A. Marven of Moncton, and Northwest Biscuit Co. of Edmonton. D. S. Perrin, of London, later was taken in.

This company has outstanding $2,200,000 of 6½ per cent. first-mortgage bonds, $3,519,000 of 7 per cent. preferred stock and 90,780 shares of common stock of no-par value. Bond interest has been paid regularly, but the holders of preferred stock so far have received no income for their investment.

Former owners of the constituent companies for the most part accepted preferred stock in payment. In some instances, they are not now in receipt of salaries which they formerly received as managers and owners of the plants, while it is problematical, as to when they will receive dividends on their preferred stock, most of which is still held by them.

GOV'T COMPILATION SHOWS YIELDS GAIN

Third of One Per Cent. Gain in June Over May

The weighted average yield of 73 industrial and public utility dividend paying common stocks, as computed by the Dominion Bureau of Statistics, was somewhat higher for June, 1928, being 3.40 per cent. as compared with 3.14 per cent. in May.

Fifty-three industrial common stocks were yielding 3.38 per cent. as compared with 3.07 per cent. in May. Fourteen utilities yielded 3.65 per cent. as compared with 3.40 per cent. in May and six companies located abroad had average yields of 2.88 per cent. in June and 2.70 per cent. in May.

Yields for sub-groups were as follows:

Industrials: The average yield of five iron and steel stocks rose from 3.12 per cent. in May to 3.42 in June, for four pulp and paper it increased from 3.24 per cent. to 4.00 per cent. for three milling stocks it rose from 4.36 per cent. to 4.75 per cent., for six textile and clothing it rose from 4.57 per cent. to 4.98 per cent., for three oil stocks it increased from 2.26 per cent. to 2.39 per cent., for twelve food and allied products it rose from 3.25 per cent. to 3.40 per cent., for seven beverage stocks it increased from 3.13 per cent. to 3.49 per cent., and for thirteen miscellaneous it rose from 4.37 per cent. to 4.51 per cent.

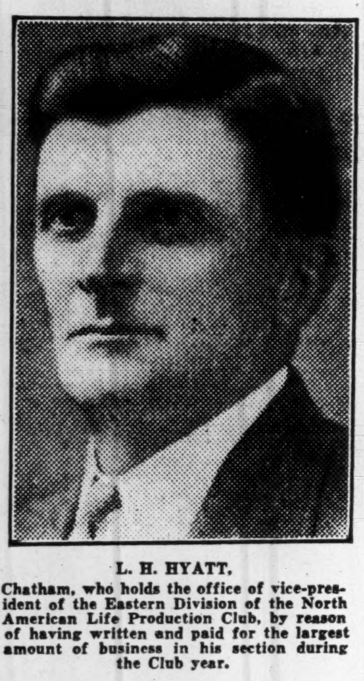
Among domestic utilities the yield of C.P.R. rose from 4.60 per cent. to 4.90 per cent., for two telephone and telegraph stocks it increased from 4.65 per cent. to 4.84 per cent. and for eleven power and traction stocks it rose from 2.12 per cent. to 2.33 per cent.

For companies located abroad, five power and traction stocks yielded 4.84 per cent. as compared with 4.48 per cent. in May and the yield of one oil stock rose from 1.80 per cent. to 1.90 per cent.

Combines Play Large Part

It looks as if combines will play a large part in the coming season's harvesting operations in Southern Alberta. Up to June 25th, thirty had been ordered from the dealers. Swather attachments with pickup are being purchased with every outfit as the use of these attachments proved a solution for the problem of letting the crop get overripe before beginning to combine. It is generally considered that the use of the combine will decrease the price of harvesting and threshing over one half.

Big Producer



L. H. HYATT.

Chatham, who holds the office of vice-president of the Eastern Division of the North American Life Production Club, by reason of having written and paid for the largest amount of business in his section during the Club year.

NEW COMPANY WILL CONTROL RENFREW FIRMS

Hon. T. A. Low Heads Enterprises With $1,250,000 of Assets

Renfrew Industries, Ltd., recently procured a Dominion charter as a holding company for the following five companies:

Renfrew Electric Products.
Renfrew Flour Mills.
Renfrew Refrigerator Co.
Renfrew Manufacturing Co.
Renfrew Realty Co.

The Hon. T. A. Low, former minister of trade and commerce, is head of the enterprise, which takes over the five companies as going concerns. It is stated that each of the five companies has paid 7 per cent. dividends regularly for fifteen years. In all, about 200 persons are employed.

To Offer Bonds

Capitalization of the new company is reported to be $750,000 of 7 per cent.. preferred and 50,000 shares of no-par common. In addition, the holding company will offer $300,000 of 6½ per cent. fifteen-year first mortgage bonds. The bonds will be secured by a trust deed against fixed and floating assets of the parent and constituent companies.

It is stated that fixed assets of the company have been appraised at $750,000 and that floating assets are worth about $500,000. Earnings are stated to be in the neighborhood of $100,000 annually, or approximately five times the bond-interest requirements.

The Financial Post has asked for a copy of the prospectus, but there hardly has been time as yet for this request to be complied with. Various enquiries that have been received indicate that an exchange of stock has been proposed to holders of stock in constituent companies and that new stock has been offered other persons, particularly in the Renfrew district. So far no statement of the affairs of the constituent companies appears to have been presented to shareholders concerned.

STANFORD'S JUNE SHOWING BETTER

Four New Stores to be Opened This Year—Verdun is First

Officials of Stanford's Limited have apparently determined upon a vigorous plan of expansion that will bring in the volume of business essential to profitable operation this year, and the opening of the new Verdun, Que., store shortly is just the first shot in the campaign. It is now learned that three additional stores are to be opened this year; and while the locations have not yet been announced, they will be placed where a survey of business conditions indicates there is purchasing power for the class of goods handled by the company.

June earnings of Stanford's are stated to have shown a nice improvement over previous months, and the company's expansion program is expected to result in a substantially better earning position for the company.

Larger Potato Acreage Reported by Provinces

From Our Own Correspondent

MONTREAL.—An increase of 2 per cent. in the acreage sown to potatoes this year as compared with 1927, is shown in the table prepared by the Dominion Department of Agriculture.

All provinces report a slight increase in acreage with the exception of Saskatchewan and British Columbia. Details are as follows:

	1927	1928
P. E. Island	48,800	54,000
Nova Scotia	31,628	32,000
N. Brunswick ...	46,998	48,000
Quebec	162,000	164,000
Ontario	159,871	163,000
Manitoba	27,705	27,700
Saskatchewan ..	44,143	44,000
Alberta	31,136	31,100
Br. Columbia	20,092	17,500

Correspondents state moisture and growing conditions to be favorable for this crop throughout the country. Flood damage is reported from Manitoba, while some of the fields in New Brunswick are patchy. At this date it is too early to estimate production.

52 issues of The Financial Post will appear during the coming year. Each one will contain something about your investments or your line of business that you will want to see. Make sure of seeing these articles by arranging a regular subscription. One year, five dollars.

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PHOTO ENGRAVERS EARNINGS GOOD IN CURRENT YEAR

1927-28 Profits Satisfactory — Expansion Program Under Way

Profits for the fiscal year ended February 28 are considerably in excess of earlier estimates, and record business during the present year necessitating the immediate erection of a new six-storey building that will double present capacity of the plant—this is believed to be the status of the Photo Engravers and Electrotypers Ltd., whose shares have enjoyed considerable enhancement since their issue some few months ago.

While no official confirmation of the various rumors concerning the company can be obtained, it is definitely known that it has been very busy, with plants operating at capacity, the overflow of business necessitating the temporary occupation of additional premises across the street, pending the building of new quarters. These actual building operations are stated to now be practically ready to go forward, and it is expected that ground will be broken shortly on the new building.

New Building Soon

The new building will occupy part of the site of the three houses number 143, 145 and 147 Spadina Ave., a property now owned by the company and vacated by former tenants. The new building itself, for which plans have been considered during the past several weeks, will likely occupy some 40 feet of this Spadina frontage, will be of the same height, material and structure as the present building, and will practically double the plant capacity of the company.

This will enable the immediate expansion of departments already much overcrowded and the handling of an increased volume of business, some of which, it is stated, has to be turned away at present.

Amongst other departments needing immediate greater space is the new rotogravure department, at present being operated in temporary premises across the street. Here are installed the first presses of their kind in Canada; sheet-fed rotogravure presses capable of handling any kind of size of sheet and any size run from a few dozen sheets to hundreds of thousands. This is a new departure in rotogravure, and opens up a wide field of business not heretofore tapped. As fine photographic reproductions in tone or even multi-color can now be handled by rotogravure process effectively and economically no matter what the size or nature of literature required.

Financing of Building

In connection with the new building there has been no announcement as yet regarding its financing; in fact, officially the building programme has not been confirmed. But the urgent need of increased facilities is well known, and also the facts that plans for the new building and cost figures thereon have been considered for some time. Now it is stated that it is a matter of only a short time before building operations may be actually under way, as present plans are said to call for occupation of new premises in the fall. Financing, it is considered, will likely take the form of a new issue of shares, some 20,000 of which were left in treasury after the original issue. As the old shares advanced more than 20 per cent. in a few months' time, it is likely that rights for additional shares would be well received.

NATIONAL STEEL PROFITS LARGER FOR PAST YEAR

Despite Lack of Railway Orders, Earning Power Maintained

From Our Own Correspondent

MONTREAL.—Although the balance sheet of the National Steel Car Company will not be available for another week or so, it is understood that earnings during the past year were exceptionally good in view of the fact that the railways were buying little equipment.

For the year ended June 30, 1927, the company reported gross profits of $288,765. This figure is said to be exceeded for 1927-28. On a share basis, earnings amount to approximately $4 on the outstanding common stock.

At the meeting of the board of directors last week no action was taken in respect to a dividend on the common. The management is very conservative, however, and it is not likely that a dividend will be declared until the company still further improves its financial fiscal position.

It is understood that something like $120,000 was marked up against current expenditures last year for maintenance and improvement to plant and equipment. The property of the company is now in first class condition.

There is a possibility that the first mortgage bonds, which have for a number of years been held by the company's bankers as collateral against loans, may be completely released and replaced by a new bond issue, which would be outstanding in the hands of investors.

The outlook for the current year is promising. While the railway companies were economizing last year in the matter of new equipment, it is thought that they may loosen up this year and place some substantial orders. The fact that the company was able to make such a good showing last year, with little railway business, is strong evidence of the improving earning power of National Steel. Provided that the railway companies place some new business this year, earnings of the company should show a further healthy increase.

Muskrat Farm Started

Moose Mountain Fur ranch recently started importing muskrats for their 9,000 acre farm north of Kisbey, Sask. Several pairs have been brought in from Maryland, U.S.A., to be used for breeding purposes, and also for crossing with the native rats located on the ranch.

Canadian Steel's Stores Plan Expansion Program

Several New Stores For Toronto — United States Company to Furnish New Capital

Officials of Steel's Consoldated Incorporated, the parent company and owner of the capital stock of the Canadian company, are emphatic that the proposed segregation of the Canadian company, are emphatic in denying any proposed segregation of the Canadian company to take over and operate Steel's stores in Canada for the benefit of Canadian shareholders, stating that it is neither a feasible plan nor actually beneficial to or desired by the great majority of the Canadian shareholders. In this connection, W. M. Wilkins, president of both the American and the Canadian companies, says:

"Except for a few individuals among the several thousand Canadian stockholders in the reorganized company, Steel's Consolidated, all the others, the vast majority, do not wish any such segregation, regard it as impracticable, directly contrary to the original plan of the predecessor companies and the reorganization plan, and furthermore, are shrewd enough to realize that irrespective of the opportunities presented in Canada on the long pull participation, an established chain store business in the United States affords, by reason of the much greater population, greater fields for development, greater spending proclivities of the American people as a whole, an even greater opportunity for profitable returns than in the case of the Canadian company only. They have several outstanding examples of similar corporate setups in the chain store field, noticeably F. W. Woolworth Company, the Metropolitan Chain Stores, Limited, Fanny Farmer and Laura Secord. That any such plan is under advisement or consideration by the management or board of directors of Steel's Consolidated can be emphatically denied and effectually negatived.

Definite Progress Achieved

At the time of the reorganization both companies were confronted with many and serious operating and capital problems as was only natural for so widespread and diversified an operation which had been taken over from liquidation and receivership proceedings in the two countries and it included several subsidiary enterprises not directly in line with the main purpose, but which nevertheless were essential factors in the completion of the reorganization. It is felt that progress both internal and external since then has been most satisfactory and encouraging. It has not been, to be sure, at a rate which has permitted the payment of dividends to stockholders in the new company, but it has been of a nature and extent which has created confidence with the trade and the banks and in other sources that the new company was on the right road and is making steady progress, and really very satisfactory progress in the judgment of those who are sufficiently familiar with the facts to appreciate the nature and extent of the burdens and problems, etc.

"The Canadian company's progress has been such that it is true that the management for some time past, and at the present time, have been considering and formulating plans to obtain some additional capital for further development of the Canadian company through the addition of more stores. It is pointed out that the new stores which have been opened in Canada since the reorganization are all operating profitably and that some of the original stores, which in the first two or three years accounted for substantial operating losses, have through steady persistent work been whipped around to the point where this year the indications are they will return very substantial profits. In fact, it is believed that on the basis of the first six months' operations every one of the Canadian stores will show in the black this year. Administrative expenses have been reduced and many other factors for the improvement of operations as a whole are also shown, and in consequence of these results the management feel confidence in going ahead with plans for the further development of the business in Canada. In this connection it is known that serious consideration is being given to the establishment of several more stores in the city of Toronto and for the establishment of stores in some other cities in Ontario and Quebec.

Canadian Position Improved

"The working capital position of the Canadian company was greatly improved late in 1927 through the sale of various fixed assets and the application of the proceeds for the betterment of mercantile operations.

"While the American company's progress in the past has admittedly been retarded and burdened by various conditions not directly affecting the Canadian company, but including to some extent the dependency of the Canadian company, in the past six months the progress of the American stores has been even better than that of the Canadian stores and the ratio of improvement compared with 1927 results has been decidedly better. The progress of the American company has been such that its significance, balancing all of the factors and the handicaps, is perhaps even greater than in the case of the Canadian company as an indicator for future possibilities. In fact, it has been so encouraging as to lead to negotiations for the furnishing of capital for further development of the American company, the strengthening of its working capital and provision for a number of new stores in the next two years, which plans might embrace the further development of the Canadian company above referred to.

"Total sales of these stores for 1928 are estimated to be approximately $3,250,000, which volume would be increased in the event of the opening of any additional stores in either country during the course of the present year.

Old Plan Best

"Both American and Canadian stockholders participate irrespective of nationality in the earnings of the American and Canadian companies.

"In the reorganization the ratio of American stockholders to Canadian stockholders participating is approximately 9½ to 4, and the actual subscribed was on a higher average per capita for the Americans. Consequently, the investment of the American stockholders in the Canadian enterprise, through the medium of the parent enterprise, is actually twice the amount of the Canadian investors. In the same way on the bond issue, which is a joint and several obligation of the two companies and was originated largely because of the mortgage requirements to be met on the real estate in Canada and with 12 out of the 16 properties located in Canada, of 1,544 individual bondholders, 1,202 are Americans and 342 Canadians, $471,800 being represented by Americans and $137,900 by Canadians.

"Collectively the stores as a consolidated chain are operating at a profit and all indications at the end of the first six months of this year are that the American stores because of improvement in operations to date will show a substantial profit, which will be proportionately increased if plans above referred to, with which you are generally familiar, are successfully consummated, making additional capital for discount earnings, saving of bank interest charges, improvement of mercantile operations, and perhaps during the year some expansion of stores possible."

Form Canadian Company To Guard Payroll Cash

The Brinks Express Company of Canada, Ltd., has been formed to carry on the business of transporting money and valuables, and putting up and paying off employees. This service is a comparatively new one in Canada, though the company has been operating successfully in the principal cities of the United States since 1859.

Equipment consists of heavily armored cars which undertake the safe transportation of currency, bonds, and valuables of all kinds. The company assumes full responsibility while funds are in its possession, and are bonded for over $200,000,000 by the National Security Co. of New York and the Commercial Union Assce. Co. of London.

Business Executive Available

Twenty years' experience in financial work, including general investment and stock exchange business, industrial financing and investigations, sales organization, etc.

Well known in financial circles. At present engaged, but services available shortly.

Full particulars apply
The Financial Post, Toronto, Ont.

ONTARIO

NOTICE TO COMPANIES

All companies incorporated or carrying on business or having an office in Ontario shall make Annual Returns to the Provincial Secretary of Ontario, and especial attention is called to the provisions of an Act passed at the last Session of the Legislature, whereby lists of shareholders will not be filed unless a special demand is made for same. This does not apply to lists of officers of companies, which should be included with Annual Returns as heretofore.

Companies in arrears must file all Annual Returns due forthwith, in default of which proceedings will be taken to collect prescribed penalties.

L. GOLDIE,
Provincial Secretary of Ontario.

Toronto, June 25th, 1928

DIVIDEND NUMBER 176

Hollinger Consolidated Gold Mines, Limited

(No Personal Liability)

A dividend of 2% on the outstanding Capital Stock of the Company has been declared payable on the 11th day of August, 1928, on which date cheques will be mailed to shareholders of record at the close of business on the 25th day of July, 1928.

Dated the 18th day of July, 1928.

I. McIVOR,
Assistant-Treasurer.

DOMINION BRIDGE COMPANY, LIMITED

DIVIDEND NOTICE

A Dividend of Sixty-five Cents (.65c) per share has been declared on the No Par Value Shares of this Company for the Quarter ending 31st July, 1928, payable 15th August, 1928, to Shareholders of record at the close of business on the 31st July, 1928.

By Order of the Board.

F. W. EVENS,
Secretary.

Montreal, Que., 17th July, 1928.

Cadillac Imperial Sedan

7 Passenger 1926

THIS beautiful car is in excellent mechanical condition having been very carefully driven and attended to by a good chauffeur. There is a separate compartment for the driver. The car is finished in Cadillac blue and is upholstered in luxurious velour. Equipment includes five good tires, step lights, etc.

Originally Cost $5530
Will Sell for $2950

Address Replies to Box 162, The Financial Post, Toronto, Ont.

Canada Biscuit Report Held up for Past Year

From Our Own Correspondent

MONTREAL. — From reliable sources, The Financial Post learns that it is not the intention of the directors of the Canada Biscuit Company to issue a balance sheet covering operations for the past year.

As intimated in these columns a short time ago, the company ran into a number of snags last year which had an adverse effect on earnings. While it is understood that interest on the outstanding bonds, which amount to $2,200,000, has been earned, evidently the margin was not very great.

Canada Biscuit came into being two years ago as a result of the consolidation of the McCormick Manufacturing Co., London; Paulin-Chambers Company, of Winnipeg; J. A. Marven, of Moncton; Montreal Biscuit Company; Northwest Biscuit Company, of Edmonton; Northwest Mill and Feed Company, of Edmonton, and D. S. Perrin and Company, of London.

Pre-Merger Profits Fair

Combined net earnings of the constituent companies for 1925, the year before the merger, were $508,301. This was slightly above those reported in 1924 and 1923, but below the figures of 1922, 1921, 1920 and 1919. As bond interest requirements at present only amount to $121,000, it is to be anticipated that earnings last year were considerably below those reported in the pre-merger years.

As far as can be learned the troubles of the Canada Biscuit Company are not a matter of lowering operating costs, or declining popularity of its products but rather to distribution methods.

Economies Not Effected

One of the features of this merger, and others for that matter, was the economies to be effected in eliminating duplicate sales forces, etc. In theory this works out very well, but the Canada Biscuit Company found that any sudden change in the contact between the producer and buyer is not likely to be beneficial.

Thus, in a territory which had formerly been served by two men, a certain volume of business was to be had. When one salesman was assigned to the territory, the same amount of business was not secured, the buyers evidently taking the stand that they only should buy as much as they did from one individual before the merger took place.

It is said, however, that sales for the past year totalled in value as much as they did before the consolidation. If that be the case, then expenses are probably a great deal higher than anticipated, thus cutting into earnings to a degree not anticipated.

ORANGE CRUSH PROFITS SHOW GOOD GAINS

While Havana Business Light, Canadian Sales Are Higher

Earnings of Orange Crush, Limited, for the first six and a half months of this year are stated to be satisfactory, with general increases fully up to expectations, though business has not shown the startling gains that might have resulted from a more favorable beverage selling season.

To date the Havana business has been a disappointment, with sales and earnings substantially lower than a year ago. Fortunately this has more than been made up by the increases in Canadian business, with a resulting fairly substantial increase in business as a whole.

With business continuing at present expected rate, the company should make the recent estimate of $300,000 net earnings for Orange Crush alone; or if the investment in Honey Dew, Limited, is taken into consideration, a consolidated balance sheet if issued will probably show the $425,000 recently estimated. All of which estimate is based largely upon reasonably favorable beverage weather for the balance of the year.

The relative weakness in the common shares, which, reckoned on the first preferred conversion basis should be worth approximately 25 per cent. of the first preferred, but have been selling recently at less than 20 per cent., is attributed largely to nervousness caused by knowledge of the falling off in the Havana business. But officials of the company state that this has been taken fully into consideration in recent estimates, as the conditions in Havana have been known for some little time. Hence actual earnings of the company as the whole are sufficient to show a substantial amount on the common after preferred stockholders have been considered.

Commercial Alcohols Adds New Line of Production

From Our Own Correspondent

MONTREAL.—In order to widen out its line of products and to provide for a more stable revenue, Commercial Alcohols has secured Canadian rights to the Grunwald patents for the manufacture of magnesia carbonate insulating materials, chiefly produced in the form of insulating blocks for the covering of large boilers, etc., and also to some extent in the form of pipe coverings.

It is the intention to prove up this new article in a commercial way through operation of the first unit and later add two further units to the plant. This would give a production sufficient to take care of the entire requirements of the Dominion for some considerable time ahead. Article is not now manufactured in Canada.

American Chemical Solvents Corporation, of the United States, has produced under Grunwald patents for past two years with substantial success. Interesting features of new development is that magnesia carbonate plant will absorb gases from the company's alcohol fermentation plant which have heretofore been wasted to the extent of about 8,000 lbs. per day, and this will turn a by-product of the distillery into what promises to be a profit.

FOREIGN POWER SECURITIES CORPORATION Limited

6% Preferred Dividend No. 5

A Dividend of one and one-half per cent. (1½%) (being at the rate of 6% per annum) on the 6% Cumulative Participating Preferred Stock of Foreign Power Securities Corporation, Limited, has been declared for the quarter ending July 31st, 1928, payable August 15th, 1928, to shareholders of record at the close of business July 31st, 1928.

By Order of the Board.

L. C. HASKELL,
Secretary.

Montreal, June 29th, 1928.

Tenders Invited for

City of Nelson, B.C., Debentures

Sealed tenders will be received by the undersigned up until 8 o'clock P. M. of the 30th of July Inst., for the purchase of—

$240,000, 4½%, 20 year, Sinking Fund, Hydro Electric Power Plant Construction Debentures, Dated June 30th, 1928.

Interest coupons attached; Interest payable half yearly Principal and Interest payable at the principal office of the Bank of Montreal in Montreal, Toronto, Winnipeg, Vancouver, Nelson. The highest or any tender not necessarily accepted.

Nelson, B. C.
July 13th, 1928

W. E. Wasson
City Clerk

FINANCIAL GROUP

wanted to finance purchase of entire acreage Pelee Island, Lake Erie, ten thousand acres, for large Summer Resort; always voted wet; have four thousand acres under ten-year copyrighted option, can secure another 3,000 acres under same option, balance of land must be purchased outright; at present about seven thousand acres under cultivation; main crop, tobacco; ownership of entire acreage would control all subsidiary promotions for development. Have Ontario charter controlling options. Less than two million dollars for entire acreage purchase, and by using options requires less.

Write Box 148 The Financial Post, Toronto, Ont,

B. C. Power Corp.
Class "B" Shares

If any of these shares are for immediate sale, please write, quoting price demanded, to—

Box 34 M

THE FINANCIAL POST
Southam Bldg. Montreal

Native Canadian

29, with 11 years' experience in the States; financial analyst of stocks and bonds for corporations, financial publication and stock operator for individual capitalist. Specialist in financial advertising. Seeks permanent Canadian connection. Address Box No. 162, Financial Post.

FOR SALE

Two passenger elevator equipments, now in use, consisting of two attractive metal passenger cars, approximately 5' x 6', with five pairs of metal and glass floor landing doors and enclosures and two drum type motor driven winding machines with cables, sheaves, safety devices, etc., for a lifting height of [illegible] feet. all in good running order and can be seen now in operation. Motors are wound for 440 volts, 66 2/3 cycles, 3 phase.

Reason for selling—Owner is adding additional floors to Office Building and the present machines not having sufficient lift to take care of the additional floors. Possession of elevators may be had approximately November 15th.

Box 160, The Financial Post, Toronto, Ont.

AVAILABLE

An aggressive, energetic, well-balanced executive who has successfuly filled responsible positions. Background is extensive, thorough and practical. Now Director of Sales for large Canadian Corporation.

He is married, age 34; in excellent health; a Canadian with unimpeachable references and business record. For sound reasons he desires to change his present location to a permanent connection with a progressive company, large or small. Further details will be cheerfully supplied, in confidence, by A. McKim, Limited, 34 King St. E., Toronto.

GENERAL STEEL WARES LIMITED

Notice is hereby given that a Dividend of 1¾% has this day been declared on the Preferred Stock of General Steel Wares Limited, for the quarter ending July 31st, 1928, payable on August 1st, 1928, to shareholders of record at close of business July 14th, 1928.

(Sgd.) D. W. DICKSON,
Secretary.

July 12th, 1928.

BRAZILIAN TRACTION, LIGHT AND POWER COMPANY, LIMITED

(Incorporated under the Laws of Canada)

Notice is hereby given that the Board of Directors of this Company has declared a quarterly dividend of 44 cents per share on the Company's issued Ordinary Shares of no par value, payable on 1st September, 1928, to shareholders of record on the registers at the close of business on the 31st July, 1928.

The dividend now declared is the first since the conversion of the Ordinary Shares of $100 each into four shares of no par value and therefore the present dividend is and the future dividends will be declared on the basis of so many cents per share instead of at a rate per cent.

The present dividend does not apply to the Ordinary Shares recently subscribed for, which under the terms of the subscription will only rank for dividend as from 1st December, 1928.

Dated at Toronto, Canada, 12th July, 1928.

J. M. SMITH,
Secretary.

NOTE—The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada.

The London Agents of the Company are the Canadian and General Finance Company, Limited, 3 London Wall Buildings, London, E.C. 2, England.

SALE OF PINE TIMBER

Tenders will be received by the undersigned up to and including Monday, the 20th August, 1928, for the right to cut the Red and White Pine, and Jack Pine 12" and over in diameter on the stump, 18" from the ground, on the Townships of Chester and Neville, District of Sudbury.

Further particulars may be obtained upon application to the undersigned, or to Mr. J. G. McCaw, Acting Crown Timber Agent, Sudbury.

W. FINLAYSON,
Minister of Lands and Forests.

N.B.—No unauthorized publication of this Notice will be paid for.

Toronto—July 10, 1928.

DIVIDEND NOTICE

Massey-Harris Company Limited

Preference Stock Dividend No. 11

Notice is hereby given that a dividend of 1¾% on account of dividends for the present fiscal year has been declared on the 7% cumulative preference stock of the Company.

The above dividend is payable on and after the Fifteenth day of August, 1928, to shareholders of record at the close of business on the Twenty-eighth day of July, 1928.

By Order of the Board.

C. N. APPLETON,
Secretary.

Toronto, 16th July, 1928.

THE STANDARD BANK OF CANADA

Quarterly Dividend Notice No. 151

A dividend of three per cent. (3) for the three months ending 31st July, 1928, being at the rate of twelve per cent. (12) per annum, has been declared payable on the 1st of August, 1928, to shareholders of record as at the 16th day of July, 1928.

By order of the Board.

N. L. McLEOD,
General Manager.

Toronto, June 20th, 1928.

CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

Mond Nickel Splits Stock and Offers Valuable Rights

Boston Creek Area Active; Oro Grande Sets Up Record

First Payment Arrives As Amity Ships 6th Car to Noranda Smelter

Find Widths of Ore Are Greater Than Expected

FOUR FEET IN WINZE

High Grade Ore Shipments to Noranda Smelter Total 180 Tons

By Staff Editor

BOSTON CREEK.—Amity Copper, Ontario's first producing copper mine, shipped its sixth carload of high grade copper ore to the Noranda Smelter. Coincident with the shipment arrived a cheque from Noranda in payment of the first carload of ore shipped. Amity is Ontario's first strictly copper development and it has set a record that has few if any equals. Within 12 months of the initial development work it is shipping commercial ore, and this is coming from the comparatively shallow depths of 125 and 250 feet. Regular shipments are being made and payments are coming in that will go a long way to paying for cost of development.

Amity has undertaken its development under very modest lines so that the cost of development has been reduced to a minimum.

Opened Up to 250-Ft.

The Amity shaft has been sunk to a depth of 250 feet and drifting is being carried out on the 125 ft. and the 250 ft. levels.

On the 125 ft. level a cross-cut was run in 40 feet to tap the vein which has now been drifted on for a distance of 250 feet. On the 250 ft. level the cross-cut intercepted the vein at the same distance from the shaft, and has been drifted on for 350 feet. Both drifts are still in ore.

A raise, put up from the 250 ft. level to a point 80 feet above it, has proved the continuation of the vein from the 125 to the 250. The width of ore encountered in the raise, is much greater than had been expected, showing up to 3 ft. 6 in. of high grade chalcopyrite in many places. Drifting on the two levels has shown a foot of high grade chalcopyrite in addition to from eight to nine feet of banded ore.

Shipments Total 180 Tons

Drifting on the 250 ft. level on one or two occasions showed ore much above the average, and it was thought advisable to get further information of its behaviour at depth. With this object in view a winze has been started from the 250 and is now down 30 ft. It also has shown surprising imprpovement. Up to 4ft. 6 ins. of solid high grade ore has been found, and the banded ore extends beyond the walls of the winze.

It is the ore from these two developments, the raise and the winze, that Amity is shipping to Noranda. Shipments to date total 180 tons.

Work at the Amity is now being concentrated on the sinking of the winze and the sorting of ore.

Since last winter's fire, the portable gasoline motor and compressor used in development work, have been replaced by a 150 h.p. electrically driven motor which supplies the necessary power for a 960 cu. ft. compressor.

May Erect Concentrator

The erection of a 50 ton concentrator is now under consideration, plans are now being prepared by the Southwestern Engineering Co., and erection of the plant may be undertaken in the fall.

S. A. Paine, E.M., Amity's mine manager, is highly gratified by the manner in which the property is proving up. Amity is most happily situated from the standpoint of economical development. The property lies directly alongside the Temiskaming and Northern Ontario Railway at Boston Creek Station, the shaft head being within a stone's throw of the track. The power line crosses the property.

At the present time the ore is being hauled a distance of less than a quarter of a mile to the station siding, but eventually a spur will be laid into the property, and it will then be possible to sluice the ore from the shaft head directly into the freight cars waiting on the track below.

Amity's holdings consist of a block of 160 acres. The surface outcrop on the property is continuous and quite uniform. It has been opened up for 1,500 feet and then passes into low ground. The company has a possible additional length of 800 ft. in this low ground, which Manager Paine believes may prove to be the best section of the body before it passes into the adjoining Patterson property.

A recurrence of the Amity showings has been traced on the adjoining Patterson property and on the Trethewey - Ossian which lies next to the Patterson as well. It is believed that all three properties are on the same break.

Development work is now being carried out on the latter properties, and should these prove up in the same manner as the Amity, there is every reason to believe that Ontario's place on the copper map is assured.

Besco Coal Output is Slightly Off

From Our Own Correspondent

MONTREAL. — Output of the British Empire Steel Corporation's mines during June amounted to 523,210 tons. The decline was largely due to the closing down of Number 2 mine for a few days because of a smash and all hands were idle on June 11th for the Davis Memorial Service. Moreover, there were only 25 working days in June as against 26 in May. Output of the Dominion Coal Company in June was 6,000 tons behind that of May, the mainland and Scotia pits being behind 5,000 and 8,000 tons respectively. Of the total production, Dominion Coal accounted for 379,798 tons; Mainland 78,330 tons, Scotia 65,082 tons.

BOSTON CREEK IS WITNESSING MUCH ACTIVITY

Eleven Properties Operating—Others May Start

By Staff Editor

BOSTON CREEK. — The Boston Creek Camp is the scene of much activity this summer, and the increased number of operators in the district is being evidenced by the steady growth of the small settlement at Boston Creek Station. The Barry-Hollinger is of course the outstanding property in the camp, a force of some 74 men are employed here, the mill is treating from 85 to 90 tons of ore a day, and regular shipments of gold are being made to the Royal Mint at Ottawa.

The Amity Copper and Gold Mines is also in the producing class. It has a crew of 22 men employed, and its sixth carload of copper ore is now being shipped to the Noranda Smelter.

Other operators in the camp include the Patterson Copper which has just started shaft sinking, by hand steel. A camp site has been cleared and a bunk house will be erected. The Patterson programme calls for sinking of a shaft to 500 feet, the cutting of stations every 125 feet, and establishing levels to permit of lateral work.

Development work is going on at the Trethewey-Ossian. The Hilltop and Goldhill are each sinking, Boston McRae has just finished diamond drilling. Diamond drilling is going on at the Bennett-Pacaud, the Miller Independence and the Cotter-Campbell.

The Gold Leaf property was examined by engineers of Timmins, Inc., last week, and there is some talk of operations starting up.

Allied Gold have a small crew of men at work, the Ostrom and Gold Ridge have both closed down temporarily but diamond drilling is proposed for both properties. It is said that diamond drilling is also to be done on the Lake Miriam property adjoining the Gold Ridge.

Safety First . . .

Advice may be cheap and at the same time profitable—Our information department is at your service.

Where possible profits are greatest, there, too, the element of risk is largest. No other field of investment offers such big returns as mining stocks, and no other investment needs to be selected with such care.

Three main principles are involved in profitable mining—extensive ore bodies, adequate financing and efficient management. Measure your mining investments by this yardstick and see if they will stand the test.

Our recommendations are based solely upon this rule, and we unhesitatingly recommend the following stocks at present prices: Whitewater, Lucky Jim, Ruth-Hope, Cork Province, Topley-Richfield and Noble Five.

Production is the Acid Test in Mining.

Miller, Court & Co. Ltd
INVESTMENTS
Members Vancouver, Victoria, Calgary, Winnipeg, Seattle and Standard (Spokane) Stock Exchanges
VANCOUVER BLOCK. VANCOUVER, B.C., CANADA
TORONTO OFFICE: 67 YONGE STREET.

RED LAKE SECTION PAYROLLS LARGER THAN EVER BEFORE

News of New Discoveries Indicates Another Boom Pending

HOWEY A MINE

Production at Least Year Away as Power Must be Awaited

Another boom in Red Lake seems in the offing. It may be delayed, but the stream of good news that has started out of the camp is certainly to be augmented by news from other operations, and this is going to be the means of inducing others to put in payrolls. Until the past six months the camp has actually had but two real mining efforts. One of these, the Dunlop, was shortlived and the other was the Howey. As one mining man has said, you cannot make mines without payrolls.

The settling of the power question is going to be a big factor in pushing ahead development. It will be a year before the power supply from English River will be available. In the meantime operators will push ahead on their properties with the idea of getting them ready for electric plants by the time the power will be ready for delivery.

Howey Looking Up

Perhaps the latest good news from the camp, unofficial as it is, is to the effect that Howley can now be accepted as a proven mine. This information comes from a mining man in close touch with the operation. It is understood that the lengths of ore proven and the grade are such as to assure already a profitable operation. It will be a year before Howey will reach the production stage so that the company still has plenty of time for development work prior to deciding what size mill will be constructed.

Much attention is being focused on the Pipestone Bay and East Bay sections, particularly the latter. Red Mammoth Syndicate of Toronto is carrying on the principal operation in the latter area where it is exploring the Smith Morrison property. This syndicate is working on a systematic basis. It first worked out the geology and did a great deal of surface work and is now sinking a shaft. Widths and lengths of ore indicated are encouraging.

East Bay Discovery

East Bay Mines, which adjoins Red Mammoth, has been advised by the management that assessment work has revealed massive galena in trenching on the vein. Trenching has shown good widths.

To the west of the Red Mammoth, Bill Couchener and Dan Williams are carrying on some exploratory work. They have a likely looking property on which some good showings have been uncovered.

There are some who contend that this section of the camp is the main break of the area, so that the present development is of considerable importance.

There is considerable work going on in Pipestone Bay, the most important being Pipestone Bay operation which is financed by a group of Toronto mining men and the Scott-Ross which is a private operation in the hands of Toronto people. On both properties some excellent results have been obtained. On the Scott, the surface discovery was one of the sensations of last year.

There are several other ventures in the camp that are looking well including Charles Gallagher's group north and east of the Howey, the Madison and Martin Neeley Mines. A New York group is reported to have taken over an important block of ground north of the Howey.

Canadian Canal Traffic Continues to Show Gain

From Our Own Correspondent

MONTREAL.—Traffic through the Canadian and United States locks at Sault Ste. Marie last month was heavier than in June, 1927, by 19,534 tons, having amounted to 12,632,935, as compared with 12,613,401 tons. Iron ore was heavier by 160,429 tons, wheat increased by 16,367,010 bushels and other grains increased by 5,306,248 bushels, but bituminous coal was lighter by 931,223 tons.

Total traffic on the Welland Canal for the first time in June was over one million tons, amounting to 1,037,051 tons, which was 45,264 tons heavier than in June, 1927. Wheat and oats increased, but the movement of rye and flax was less. Bituminous coal also decreased. The cumulative total from the opening of navigation was 2,087,004 tons, which was 267,201 tons less than for the same period in 1927.

There was a decrease in traffic on the St. Lawrence canals, the total being 1,143,735, as compared with 1,211,603 tons last year. Rye, pulpwood, ore, bituminous and anthracite coal, and iron and steel showed a decline. On the other hand, oats, wheat, merchandise, copper ore and iron ore increased over last year's figures.

OPEN IN SAULT STE. MARIE

Stewart, McNair & Co., who recently opened an office in North Bay, are now branching out westward. This week an office will be opened at Sault Ste. Marie, and, in the near future, they will establish branches at Winnipeg and Vancouver.

CAN. ROYALTIES VENDS POST-CARDS

Canadian Royalties, Ltd., which controls stationery-vending machines, now plans to distribute vending machines which will sell two two-cent postage stamps and two picture postcards for ten cents.

Flin Flon Mining Opportunity
A genuine and substantial opportunity for the investor,
One of Manitoba's most promising properties.
Manitoba Flin Flon Mines Syndicate
Six claims adjacent to Flin Flon on the West.
Ten claims adjacent to Flin Flon and Mandy Mines to the South.
Surface assay exceeds that of nearby mines.
Complete Information Will Be Mailed Upon Request
W. B. CUMMING & CO., Ltd.
21 King St. East,
TORONTO 2, Ontario

Turner Valley Oil Output Now on Two Million Basis

Turner Valley's crude oil and naphtha production for June was 45,477 barrels, an increase of 3,201 barrels over May. The dollar value of the oil alone works out at just under $2,000,000 yearly.

Imperial Oil refinery, Calgary, received 41,377 barrels and Regal refinery, Calgary, 4,100 barrels. July figures should show even a greater increase as some of the wells were only producing part time in June. Royalite Six being one of them. Home No. 2 increased production considerably about the middle of June. Value of the month's output is placed at $157,000. The gas produced at the same time is worth considerably more.

Ten Weeks Trading in Noranda Involved 86 Million Dollars

Turnover of Stock Since May 1 About Equal Issued Shares

In ten weeks the money involved in trading in shares of Noranda Mines has totalled $86,000,000. The movement which resulted in the sensational rise in these shares to a high of $64.50 started about May 1st, and in the interval the turnover in shares totalled 2,155,193 or just about equal to the total shares issued.

Noranda has made fortunes for many and nice nest eggs for a great many more. Its advance was sensational because the climb was in dollars. In moving from $19 on May 1 to its high of $64 this month the advance amounted to about 350 per cent. On numerous occasions, larger advances than this has taken place in cheap stocks, but the amount involved being in cents was not as spectacular.

Few Knew the Facts

The most interesting fact about the advance in Noranda and the profits that have accrued to speculators as a result, is that very few had any idea in regard the developments which resulted in the advance. It is almost safe to assume that the great bulk of those who profited by the advance were either holders of the shares before the movement started or else got aboard when they saw the stock moving. What the movement was about, they were not aware.

News of the developments which started New York on the great buying furore, has been filtering out gradually. New York started buying after the developments had been examined and drill results checked by engineers. The first interesting news of Noranda developments came from diamond drilling and this was followed rather closely by information that the sinking of the new shaft had encountered high grade. This it develops is the large pyrrhotite body that was opened out in development on the 300-ft. level and which also outcropped, but which was of no commercial value.

Rich Ore at Depth

The ore on the new deep levels is rich. In one case ore has been encountered running 15 per cent. copper and $4.50 in gold or taking copper at 14 cents it works out at $46.50 per ton. The replacement in the pyrrhotite is giving 14 per cent. copper and $4 in gold or $43.20. On this basis, this body that was worthless on the upper levels, is now worth around $500,000 per vertical foot, if the body maintains its size.

Developments are being pushed ahead and the opening up of the new levels are 975- and 850-ft. which is proceeding, will tell much about Noranda. Later a level will be opened at 725-ft.

Rather an interesting report on the latest developments on Noranda appears in the Wall St. Journal. The Barron publication is close to the Newmont interests and undoubtedly this report is based on information which engineers gathered when they visited the property and reported on development. It makes the point that while there is much interest in the magnitude which the No. "H" ore body is showing, the main interest for the moment is in the possibilities of other large pyrrhotite bodies showing high grade replacement at deep levels.

New Shaft Cut Ore

Noranda, in order not to tie up large tonnages of ore in shaft pillars, began the sinking of a working shaft at some distance from its heretofore most important ore-bodies. Near this shaft was a large body of pyrrhotite that on surface carried no copper but some precious metals, and which was used as flux at the smelter. This lens of pyrrhotite was roughly 600 feet long at surface and about 250 feet wide. Prospecting showed that the pyrrhotite lens held its size in a general way on the 100, the 200, and 300-foot levels but carried no copper. On the 400-foot level sufficient chalcopyrite had come in to raise the grade of ore just about to commercial grade. On the 500-foot level the area of maximum replacement was roughly 175 feet long and 50 feet wide and the ore of fair commercial grade.

First Ore Appears

In the new shaft, stringers of chalcopyrite began to come in at a depth of roughly 725 feet. High-grade ore was struck in the shaft at a depth of 975 feet and the shaft went through about 25 feet of ore averaging around 15 per cent. copper and $4.50 gold a ton. A station was cut at a depth of 975 feet and a level started. Also at a depth of 850 feet a station was cut, and another level started. The company plans soon to start another level at a depth of about 725 feet.

While work on the 850 and 975-foot levels is not extensive enough to permit definite statements, there are reasons to believe that at that depth about half of the pyrrhotite lens has been replaced by chalcopyrite sufficiently to raise the grade to around 14 per cent. copper and $4 a ton gold.

The theory is that the chalcopyrite is primary and at depth has precipitated more freely in the case of the "H" ore body than nearer surface. It is believed that this may have happened in the case of other large sulphide lenses on the property that at surface are entirely pyrrhotite with some gold, as was true of the "H" ore body.

Pushing Work Ahead

While it is too early as yet to make definite statements as to the magnitude of the new strike, it appears certain that not only has a high-grade ore body of major importance been found, but a new condition has been discovered that adds greatly to the possibilities at depth in the case of other sulphide lenses on the Noranda property.

The great bulk of the buying of Noranda has come from those—and their friends—who have had access to this information. It is said that in one day's trading on the New York Curb that the gross value of the trading in this one stock was $15,000,000. The heaviest week's trading in the stock in Canada was the first week in July when 433,544 shares changed hands, having a gross value of around $24,928,770. Second week in June was the second largest, 377,208 shares being traded in with a value of $12,815,072.

Trading for 10 weeks with the monthly price range follows:

	Open	High	Low	Close	Sales	Approx. Value
May	19.50	28.00	19.00	28.00	290,097	$ 6,728,419
June	27.90	47.25	27.90	47.25	1,208,146	43,523,343
July	46.25	64.50	46.25	51.00	656,960	36,546,922
					2,155,193	$86,798,684

McIntyre Quarterly Earnings Are Down

Four Months' Net Works Out on $1.38 Per Share Basis as Compared With $1.46 For Last Fiscal Year

McIntyre continues to hold a quarterly production level about a par with that established in the last quarter of 1927 calendar year. Just above $1,000,000 gross. The total was slightly below the first quarter of 1928 and the final of 1927, while costs held about the same level. The net before depreciation was down somewhat, but still substantially above the quarter of a year ago. McIntyre's depreciation allowance and development written off for the last fiscal year averaged $158,946 per quarter and dividend requirements amounted to $199,500 quarterly or a total of $358,446 quarterly. The amount added to surplus averaged $90,662. On this basis, the first quarter of the fiscal year will show $80,039 available for surplus. Net earnings after depreciation and development allowance on a 1927-8 basis, leaves a net of 34½ cents per share or $1.38 per share a year. Earnings in 1927-8 were on a basis of $1.46.

Figures by quarters follow:

	3 mos. June 30 1927	3 mos. Sept. 30 1927	3 mos. Dec. 31 1927	3 mos. Mar. 31 1928	12 mos. Mar. 31 1928	3 mos. June 30 1928
Gross rec.	$894,167	$981,251	$1,033,678	$1,076,530	$3,987,635	$1,002,880
Costs inc. dev.	522,642	532,885	576,627	569,869	2,200,022	570,559
Oper. earn.	371,525	448,366	457,051	508,670	1,787,612	432,321
Other rev.	20,969	27,497	23,314	20,007	91,786	24,184
Total rev.	392,494	475,863	480,365	528,677	1,879,398	456,505
Taxes	16,351	22,027	17,133	23,524	79,035	22,020
Net before dep.	$376,143	$453,836	$ 463,232	$ 505,153	$1,800,363	$ 434,485

SHAFT SINKING RECORD SET UP BY ORO GRANDE

Engineer Likes Outlook of This Central Manitoba Group

VALUES RUN HIGH

Considerable Amount of Ore Already Blocked Out When Property Was Secured

From Our Northern Mining Correspondent

HAILEYBURY. — A record in shaft-sinking has been established by the Oro Grande, Central Manitoba Mine's next door neighbor. Shaft-sinking plant and equipment were transported to the property in February including material for camp buildings. Camps were erected and head frame set up by April 17. Shaft-sinking was then begun from the 125-foot level, the shaft having been carried down to that depth by the previous operator, Central Manitoba Mines. The shaft has now been bottomed at 500 feet and cross-cutting is under way on the 375 and 500 ft. levels. The record shaft-sinking work has included the timbering of the shaft all the way down, the installing of chairs for the cage to rest on at each level, and the cutting of 15 foot stations at the 250 and 500 ft. levels. The entire programme was carried out in two months and three weeks. Now that the crosscutting is under way it is anticipated the vein will be intercepted 120 feet from the shaft on the 375, and 80 feet from the shaft on the 500 ft. level. The vein had already been drifted on for a distance of 100 feet on the 125 ft. level when Oro Grande acquired the property.

"Looks Better Than Lakeshore Did"

J. W. Morrison, E.M., of Haileybury, president of the company, in conversation with The Financial Post, expressed himself as highly satisfied with the progress that has been made to date in development work, and as most optimistic as to the future of Oro Grande.

"I feel sure the Oro Grande will make good," said Mr. Morrison, "its topography indicates it, and the formation which consists of diorite with Temiskaming sediments, is similar to that of Kirkland Lake. I consider the formation one of the best of any of the properties I have ever handled, and that Oro Grande looks better than the Lakeshore Mine did at the same stage of development."

Mr. Morrison was Lakeshore's first mine manager and had charge of the opening up of the Kirkland Lake property and the erection of its first mill.

The Oro Grande was first operated by Anglo-Canadian explorers. They sank a shaft to a depth of 125 feet, got into the vein, and opened it up for 100 feet. Later the Taylor interests acquired an interest in Central Manitoba Mines and to meet the terms of this were obliged to transport its mining plant from the Oro Grande ground to its present site.

The Oro Grande was also under a time option and it was thought an extension would be granted, but this could not be secured, and Central Manitoba people were obliged to surrender the property, but retained a 75 per cent. interest in the claim on which the shaft was sunk.

Mr. Morrison subsequently entered into negotiations which resulted in his acquiring a 90 per cent. interest in the claim, and also secured the Solo claim, and adjoining properties, 14 claims in all.

Surface exploration on the Oro Grande property revealed a vein showing a width of five feet, which was traced for 150 feet to a point where it dipped into a swamp. Channel assays gave values of $14. A test pit was sunk to a depth of 50 feet on the vein from which values of $28 over six feet were obtained. In the drift put in by Central Manitoba Mines on the 125-ft. level, assays of $26 were obtained over a width of 3½ feet.

Oro Grande has a capitalization of 2,000,000 no par value shares, 1,500,000 shares were issued for the properties and for treasury purposes. Taylor interests received 200,000 shares for its interest in the property, and a block of 500,000 shares was privately taken up, netting the treasury 50 cents a share. The buying was largely in Winnipeg, but considerable blocks were also purchased in Toronto and New York. At the present time there remain 500,000 shares in the treasury, in addition to $75,000 in cash. This latter amount it is believed will be ample to finance the proving up of the different levels, and by that time it is thought the results will be such as to make the stock worth a good deal more than present prices.

ROBY'S PRODUCTS IN NEW FACTORY

Company Financed Through Sale of Stock to 2,000 Persons

Roby's Products, Ltd., within the last month has occupied its new factory on the Soulanges Canal, near Montreal, where, it is stated, the various paints and roofings and other compounds can be manufactured economically.

Roby's Products, Ltd., is the company which succeeded the International Graphite Co. The company produces materials which are reported to be superior for roofing purposes and for painting metals which are subjected to more than ordinary usage.

Cameron-Solmes, Ltd., of Ottawa, has financed the company through the sale of preferred and common stock on a unit basis of $130 for ten shares of preferred of $10 par value with a bonus of common. The outstanding preferred will total $625,000, it is said, when the financing is completed. There are said to be more than 2,000 shareholders. The stock is eight per cent. cumulative.

Dividends probably will not be paid for a year or more.

Pemmican, made from Buffalo meat, and produced by the big Wainwright Park abattoir, is now being shipped east and north. It is reported to be finding favor with the Eskimo in the vicinity of Aklavik where a trial shipment was sent.

Mond Ordinary Shares Split 2 New for 1 Old; Issues Additional Stock

Final Dividend Payable Aug. 1 Means Total Distribution of 27½%

COMPANY DOES WELL

Frood Expected to Produce in 1930 and Increase Earnings Substantially

Mond Nickel ordinary shares are to be split two for one, and the par reduced from £1 to 10s. Company will create 1,200,000 new ordinary shares and offer half of these to shareholders on a favorable basis.

This information was given shareholders in the annual report, and at the same time they were informed that the final dividend on the ordinary shares would be 4s. per share payable Aug. 1, and bringing the ordinary share distribution for the fiscal year up to 5s. 6d. or 27½ per cent., as compared with 12½ per cent. the previous year. Mond Nickel has evidently decided on full plans for the operation of its Frood Mine holding, and the proceeds from the sale of 600,000 ordinary shares will go towards meeting the cost of opening up and equipping the property and of adding to the Coniston Smelter and the refinery at Cardiff, Wales.

Will Widen Market

In a statement to shareholders, the company says that splitting the shares will result in greater marketability. The directors will decide later on what basis and at what price the shares are to be issued. When the shares are split there will be 1,800,000 ordinary shares and it is proposed to issue 600,000 additional immediately. This will likely mean that shareholders will have the right to take up one new for each three shares of the 10s. stock held on one new for each 1½ of the present £1 shares.

Report says progress in shaft sinking and development at Frood Mine is satisfactory and directors expect the mine to reach production the middle of 1930. They expect that this operation will substantially increase profits when working at capacity.

Fuller Details Later

When full reports of the annual meeting with the address of Lord Melchett, (Sir Alfred Mond), are received, additional details of the Mond's Frood Mine development are expected to be available.

Profit and loss account and balance sheet figures follow:

Profit and Loss

	1923	1924	1925	1926	1927	1928
Debenture interest	£122,750	122,750	122,750	96,383	73,750	74,118
Net profit	£292,385	262,635	297,387	403,788	374,977	592,429
Preferred dividend	£175,000	175,000	175,000	236,370	262,500	262,500
Ordinary dividend	£ 90,000	112,500	112,500	112,500	112,500	247,500
Ordinary	% 10	12½	12½	12½	12½	27½
Reserves	£......	......	......	x56.992	15,000	56,125
Carried forward	£ 65.286	40,403	50,290	48,212	33,189	29,873

BALANCE SHEET

Assets—	1928	1927	1926	1925
Mines, land, houses and smelting work, Canada (less depreciation)	£2,034.932	£1,893,474	£1,850,666	£1,861,949
Land, property and refining works, United Kingdom (less depreciation	1,502,368	1,468,561	1,446,924	1,365.150
Shares, debs. in associated companies etc.	2,010,710	1,820,145	1,626,685	1,106,582
Stores, tools, etc.	226,983	243,120	262,084	238,208
Ore, raw materials and products	1,710,824	1,809,766	1.740,323	1,665,746
Debtors and debit balances	494,465	408,695	481,076	404,126
Cash	163,060	54,894	69,321	21,718
Expenses of capital issue	.....	......	56.992	......
	£8,134,342	£7,698,655	£7,534,072	£6,466,479
Liabilities—				
Capital	£4,650,000	£4,650,000	£4,650,000	£3,400,000
5 per cent. debenture stock	375,000	375,000	375,000	375,000
5½ per cent. debenture stock	1,050,099	1,000,000	1,000,000	(8%) 1,300,000
Loan from bankers	......	36,875	36,875	61,375
Accrued interest and dividends	38,458	167,000	......	126,000
Bills payable	786,583	570,580	505,000	881,788
Sundry creditors and credit balances	611,964	492,261	503,244	487,025
Reserve and suspense	225,000	160,000	160,000	160,000
Profit balance	397,246	246,939	303,954	205,290
	£8,134,342	£7,698,655	£7,534,072	£6,466,479

Canadians Buy Back Their Largest Mines

It is pointed out in the accompanying article that three of Canada's base metal operations are now valued in the stock market at well over $100,000,000. It is also pointed out that whereas in the past, the investment interest in these stocks was outside of Canada, the big interest and holdings of each is to-day centred in the Dominion. This means nothing more than that Canadians have gone into the market and paid outsiders fabulous prices for shares that these outsiders purchased at what would be considered bargain counter levels. The simple facts are that the outsiders went in and took the gamble in these ventures when Canadians would not. Their money proved them to be big, and they are seemingly content to take their huge speculative profits and let Canadians take the dividends. However, there are other good things coming along, and in some of these Canadians have substantial holdings. Sherritt - Gordon is largely Canadian, but Hudson Bay, which to-day operates a property that until a couple of years ago was nearly 100 per cent. Canadian, is controlled from New York. Canadians may buy it back later.

Winnipeg Electric Reports Demand for Services Good

From Our Own Correspondent

MONTREAL.—Demand for power is reported by the Winnipeg Electric Company to be exceptionally good this year. The total load for the first five months of 1928 was 43 per cent. in excess of the corresponding period of 1927, while the company's cash business increased 2.7 per cent. and even passengers on the trolley lines were up 282,780 or slightly over 1 per cent.

The stock of this company has been in active demand during the past two or three months, currently selling around 118. At the last session of the Dominion House the company had an application for the right to develop the Seven Sisters power site. This was not acted upon, but various rumors have been going around that the government will issue an order in council authorizinz them to develop the site. However, nothing official has been done as yet, but the stock continues to be attractive.

DOME EARNINGS DROP SHARPLY IN SIX MONTHS

Decline on Basis of 24 Cents Per Share Compared With 1927

Dome's earnings for the first six months of 1928 were not near as fruitful as the last six months of 1927, and in fact they fall below the figures for the first half of 1927 as will be seen from the table below.

Dome earned $2.14 per share in 1927 and the major portion of this came from the operations of the last half of the year, the first half showing but 98 cents per share. These figures are before making depreciation and depletion allowance and taking case of taxes. Figures just issued covering the first half of the present year show earnings per share of 95 cents. This is ample to take care of the dividend and other allowances and leave a fair sum to add to surplus. The dividend requirements for the half year are 50 cents per share.

The figures show that Dome has speeded up milling during the past twelve months as compared with the first half of 1927, but the total for the recent six months show that the daily tonnage is being held at about the level established in the last half of 1927. Ore of much lower grade has been handled during the last six months, however, as the average per ton is 58 cents below the average for 1927. Costs are down 13 cents per ton which helps offset partially the lower gold content of the ore treated. Dome's other income continues to stand up well however. Tax provision is down somewhat.

The figures for the first six months of 1927, the total for 1927 and the first half of 1928 are as follows:

	1st 6 mos. 1927	12 mos. 1927	6 mos. 1928
Tons milled	266,700	543,300	273,700
Value	1,943,686	4,031,744	1,865,756
Aver. per ton	7.28	7.42	6.84
Costs	1,114,538	2,207,137	1,071.708
Per-ton	4.18	4.06	3.93
Oper. profit	829,148	1,824,607	794,048
Other income	110,754	211,937	114,774
Net income	939,902	2,036,544	908,822
xNet per share	.98	2.14	.95
Taxes	48.790	75,959	39,614
	$891,112	$1,960,583	$869,208

x Before taxes, deprec. or deplet.

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BARRY-HOLLINGER CONCENTRATING ON DEVELOPMENT

Drifting on 1,125 and 1,250 Levels, Raising to 800

From Our Northern Mining Correspondent

BOSTON CREEK.—Considerable progress in development work has been made at the Barry-Hollinger Mine since the occasion of my last visit. The winze, which was then being started on the 1,000-ft. level, 900 feet from the old two compartment shaft, has been carried down to the 1,250-ft. level, stations cut, and crosscuts run in to tap the vein on both levels.

A cage has been installed in the winze, and a new 8-ft. by 10-ft. hoist. A new electrically driven 1,250 cu. ft. compressor has been added to the 750 cu. ft. compressor previously in operation, which provide ample power to take care of present requirements.

Considerable development work is now going on on the 1,125 and 1,250 levels to ascertain the extent of the ore. A 93-ft. cross-cut was run in to tap the ore on the 1,125, which has been drifted on for a distance of 100 feet to the east, and 50 feet to the west. On the 1,250 level the drifting has been carried on for 35 feet to the east and an equal distance to the west. When the desired information has been obtained on these two horizons, the intention is to continue the sinking of the winze, which will be bottomed at 1,500 feet.

Work is also being carried out on the following levels, 207, 607, 707, 807 east, and 1,007. On this latter level a raise is being put up to the 807, and a big stope has been established. Subdrifting is being carried out on the 1,007 boxhole.

The mill is treating from 85 to 90 tons a day mostly development ore. This ore has to be trammed from the winze to the main shaft, and because of the distance, has had a tendency to keep tonnage down.

Mine Manager Trelour is not sparing in his efforts to develop Barry-Hollinger and put the company into the dividend class. He has a force of 75 men at work at the present time.

DEVELOPMENT IS NOW UNDER WAY AT PATTERSON

Small Plant Installed Sinking Shaft to 50 Feet

From Our Northern Mining Correspondent

BOSTON CREEK. — Work of opening up the Patterson Copper Co. property at Boston Creek is now nicely under way. A small hoist and 25 h.p. boiler have been installed, and a three-compartment shaft sunk to a depth of 20 feet by hand steel. It is the intention to carry the shaft down to a depth of 50 feet. An electrically driven plant is contemplated later.

The Patterson property lies between the Amity and the Trethewey-Ossian, the Amity lying to the west and the Trethewey-Ossian to the east. It appears to be on the same break as the Amity, a two foot massive chalcopyrite showing having been picked up on the surface and traced from the Amity to the Trethewey-Ossian boundary. The Patterson is a subsidiary of the Barry-Hollinger and development work is being carried out under the direction of Richard Trelour, E.M., manager of the Barry.

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Uneasy About Hollinger

I hold 1,000 Hollinger. Is there any inherent weakness in the mine position? What caused the drop in the shares? In your 1927 Survey you said the veins dip into Schumacher. Have you modified this view? Has an estimate or guess been made as to the life of the mine? Will shares come back to former levels? Would you cast the shares overboard at present prices?

I hold 50 Hollinger costing $17.15. It all seems to rest on whether the lower levels have good ore or not. Kamiskotia is evidently a dead letter. If the mine petered out would the cash balance be divided among shareholders?

We have never had any reason to modify the opinion that Hollinger is as good a mine as it ever was. Hollinger is regarded as a mine of $6.50 and $7 ore—that is run of mine—and it will continue to produce for many years. We know of no inherent weakness in the venture as a mine. There have been many guesses made as to the possible life of the mine. We believe, however, that each year's work is extending that. This is particularly true of the work on the Schumacher property, which is a mine in itself, and a particularly rich one.

In addition Hollinger has its Kamiskotia operations. The facts presented in the last annual report did not make a rosy picture. The belief is general that the report was decidedly conservative, and that the venture is a great deal more promising than shareholders have been led to believe.

Hollinger lost its popularity with the public a year or so ago, and has steadily lost ground. The management has never seriously considered the public, and this has had a tendency to weaken public confidence. We believe that our remarks as to Kamiskotia are true also of the Hollinger Mine. We don't believe the public has been given the facts, and the changed attitude of the management, during the last couple of years, in drawing the strings closer on information and holding out the "not welcome" sign to visitors, have all been reflected in the market for the shares.

Another factor that has weakened public confidence and caused a steady decline in the shares since—and brokers say they will likely go lower—was the mine disaster early in this year, and the general impressions that have got abroad following the inquiry. A great deal of comment has been heard in regard the attitude of the leading mine executives to "pass the buck" in regard to responsibility for the action which caused the disaster. The "buck passing" started at the top and continued all the way down. No one assumed responsibility. Our impression is that this gravely undermined public confidence.

The best mining opinion is that there is nothing wrong with Hollinger as a mine. There are some defects in the operation that we are hopeful of seeing remedied some day. When it comes it will be the first step in restoring confidence.

You will find an interesting article on Hollinger in our issue of July 13.

Mining Inquiries

Parker Island

Is Parker Island share issue to be regarded as a good gamble?

Parker Island is a fair gamble. It is in a new area that is shaping up well and that is regarded as having a chance of providing a number of mines. The ore in this section is very rich.

Destor

What are chances of Destor Mines and where are they located?

Destor Mines is located in Destor Twp., N. W. Quebec. The company carried on considerable exploratory work under the guidance of a skilled engineer and is reported to have met with considerable encouragement. We are unable to locate any quotations on the stock.

Safe Buy?

Would you advise me if it is safe to buy Sudbury Crater at 12½ cents a share; also Parker Island, and Sudbury Lode Mines?

The three stocks you mention are prospects and must be considered gambles at the present stage of their development. If you are willing to take a chance, we think you will be given a run for your money. An investment in a mining stock is never "safe" till the mine has been fully proven, is well financed and paying dividends.

Sprucolite Limited

Please advise as to the chances of success for Sprucolite Ltd.

Sprucolite, Ltd., A. & B. shares are in the speculative class, though the contracts already signed with allied interests and their guarantee of sufficient business, was to assure payment of dividends. The experience of this company in the United States has been one of prosperous operations, though there is no long record of years upon which to go by. The company, however, will be manufacturing a commodity that ranks in the necessity class in industries using power throughout the Dominion. This means that their products will have a continuous, almost universal market.

Sudbury Basin and Sherritt Gordon

Your opinion on Sudbury Basin and Sherritt-Gordon would be appreciated. Do you consider the present prices are reasonably justified, and what do you think the prospects would be if a purchase was made?

There is a rumor that Newmont Mining Co. are buying Sudbury Basin. Do you know if this can be considered authoritative?

Sudbury Basin at $9.50 and Sherritt-Gordon at $5.80 are considered attractive purchases for a long hold. Development work has disclosed a considerable footage of commercial ore on both properties and as both companies are well financed and carrying on an extensive programme of development work, it is very probable that an increased knowledge of the possibilities afforded by them will be reflected in the market quotations of the stock.

The rumor that Newmont Mining Company was acquiring an interest in the Sudbury Basin Mines has been widely circulated but we are unable to say whether there is any truth to this report or not.

Hudson Bay

I have been recommended to buy Hudson Bay shares. Are they well regarded?

Hudson Bay Mine shares shape up like one of the most attractive speculations in base metal shares. The company is well financed and is pushing the opening up of the property while making power and smelter plans. It will likely be two years at least before production is started. The proposed smelter will have a capacity of 3,000 tons daily. Ore reserves of the mine down to 900-ft. have been estimated at over $200,000,000.

Boischatel Mines

Will be glad of any information you can give me regarding Boischatel Mine. Has it any future?

Boischatel Mines have some well-located holdings in Quebec on which a discovery of chalcopyrite was recently made. Development work is now going on on the property, but it has a long way to go before it can be considered a mine. The stock is highly speculative.

Macassa

I hold 500 shares of Macassa purchased at 45 cents. I am thinking of purchasing 500 to 1,000 more. Would you consider this a fairly good speculation, or advise buying some other penny stock which has a better chance of showing results?

Macassa adjoins the Kirkland Lake Gold Mine on the west. The company is in good hands and an extensive development program is now being carried out. Macassa looks like a good speculation for a hold.

Seven Stocks

I would appreciate your opinion of the following stocks: International Nickel, Wright-Hargreaves, Treadwell Yukon, Teck-Hughes, Mandy, Central Manitoba, and Howey?

Internationa Nickel, Teck-Hughes and Wright-Hargreaves are all proven mines and dividend payers, which should show appreciation if held over a period of time. Development work at Treadwell-Yukon would indicate that this property is on its way to become an outstanding Sudbury operation. Mandy, Central Manitoba and Howie should prove satisfactory speculations.

Abana

How are shares of Abana regarded? Is the mine near producing?

Abana is an attractive N. W. Quebec operation that should reach the production stage by the end of the present year. The company is in good hands and has developed an ore body of substantial length. There have been many estimates of ore proven and indicated down to the 500-ft. level. The shares have been selling around $3 for the past six months or better.

Pioneer

Who are the backers of Pioneer? What is the principal operation?

Pioneer is a company controlled by Huronian Belt of London, which also controls Keeley, Vipond and Canadian Lorrain. The most important operation is in Michipocoten, where they have the Minto and Cooper properties. There has been talk on a couple of occasions of erecting a mill, but the stage where this is justified has not been reached as yet. The operation has a number of other good looking properties which you will find outlined in the 1928 Survey of Mines, now off the press.

Cold Lake

I hold 750 Cold Lake purchased at 40 cents, and was recently advised to unload as soon as I could get back the money I have put in them. Do you consider Cold Lake a speculative hold?

Cold Lake Mines are well located from a geological standpoint. Development work alone will indicate the possibilities of this property.

Noranda

Some time ago I wrote you asking your advice pertaining to certain investments and upon receipt of your kind reply I followed your recommendations right through and may say that so far the results are very gratifying.

Also having noted your comment some time ago on Noranda I bought 50 shares at $22, and although the stock went down to as low as $17, a short time ago, I was not a bit worried as to the ultimate outcome of this stock. Now Noranda is quoted at around $42, which is certainly a wonderful profit in sight, but I feel I should not act one way or the other before I have your views on the matter.

I will therefore appreciate it very much if you would be good enough to advise me as to whether you think I should sell around the present quotation, or whether in your estimation the chances for further appreciation of this stock are good. If, so would you kindly set an objective?

The present price of Noranda shares is much higher than proven ore reserves justify. The last official statement of ore reserves contained in the annual report for 1927, placed a valuation of approximately $27,400,000 on indicated tonnage above the 300-foot level as of Jan. 1, 1928.

This figure can hardly be taken as a standard of valuation, however, in view of the valuable body of ore that has since been indicated on the lower levels. The replacement in the "H" orebody of low-grade ore, by ore carrying high values in copper and gold, has opened up possibilities for Noranda that are staggering when one considers that similar conditions may well be met with in the other five main ore bodies when the same amount of development work is carried out on them.

President Murdoch has informed The Financial Post that in the light of recent developments it will take at least two more years' work before Noranda's full possibilities can be determined.

Since the public has become aware of the latest developments, Noranda stock has soared to a record high of $64.50. There is little doubt but that popular enthusiasm carried it to higher levels than the mine's admittedly bright future warrants, at its present stage of development and a recession has since set in.

Until this adjustment is completed and until the extent and value of the new discovery has been fully determined, it would be futile to attempt to estimate what is a fair value to place on Noranda shares, and equally impossible to conjecture how high another buying wave may carry them.

It would appear that your safest plan will be to follow the market closely and take your profits at what you consider an opportune time. We believe, however, if you wish to look far enough ahead you will be well repaid by holding on to your shares. Or if you prefer, take your profits on say half of your holdings, and retain the balance as an investment. We believe that eventually Noranda will sell much higher than its present price.

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Telegram from Engineer states that they have crosscut the vein in the tunnel and found it 15 feet wide and richer than it was on the surface.
Drifting has begun on the vein east and west from the tunnel. Engineer also advises that the pipes to carry the air from the compressor to the drills on the Free gold zone 950 feet to the south have arrived and are now being placed in position.
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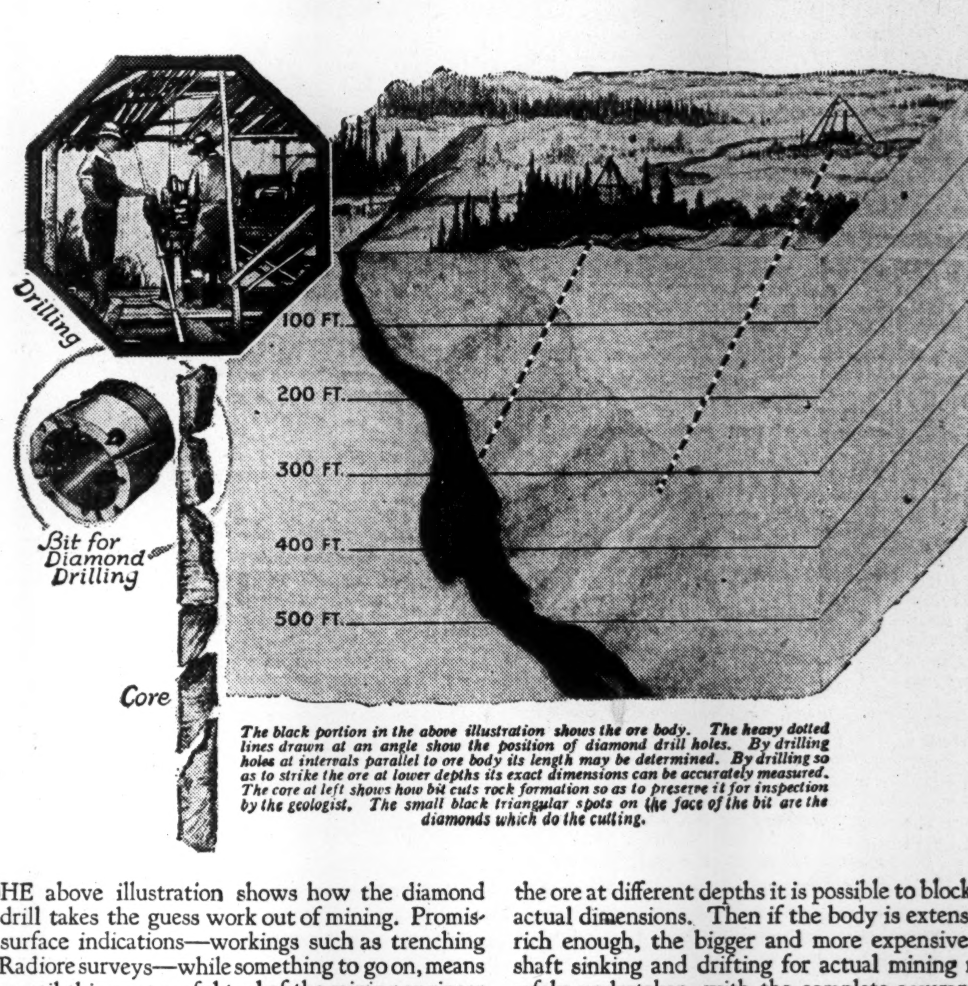

The black portion in the above illustration shows the ore body. The heavy dotted lines drawn at an angle show the position of diamond drill holes. By drilling holes at intervals parallel to ore body its length may be determined. By drilling so as to strike the ore at lower depths its exact dimensions can be accurately measured. The core at left shows how bit cuts rock formation so as to preserve it for inspection by the geologist. The small black triangular spots on the face of the bit are the diamonds which do the cutting.

THE above illustration shows how the diamond drill takes the guess work out of mining. Promising surface indications—workings such as trenching and Radiore surveys—while something to go on, means little until this most useful tool of the mining engineer has furnished accurate evidence of underground formations and structures.

Black diamonds, much harder than the "Blue Whites" that grace my lady's finger, and costing over $160 per carat, are firmly set in a bit with a hollow core. Rotated at speeds up to 300 revolutions a minute, this bit slowly bites its way into solid rock at the rate of 3 feet an hour. Rounded portions of the rock enter the hollow core, and when drawn to the surface this rock core tells the engineer not only the exact nature of the ore, but its exact depth.

By drilling at intervals of say 300 feet at points parallel to the ore body its exact length may be determined. By repeating the process so as to strike the ore at different depths it is possible to block out its actual dimensions. Then if the body is extensive and rich enough, the bigger and more expensive job of shaft sinking and drifting for actual mining may be safely undertaken, with the complete assurance that the ore is still there.

Diamond drilling is expensive. As many as fourteen stones of four carats each are used in metal prospecting. At $160 per carat, the item of wear on stones is a heavy item alone. But as the diamond drill gives such accurate information about the mineral content of rocks far below the surface, its cost compared to any other known method is cheap.

The properties of the Canada Quebec Mining Corporation will be carefully investigated with the aid of diamond drills. Investors who purchase the securities of this company will thus have the assurance that their properties are being thoroughly explored by the most approved methods.

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Canada Quebec Mining Corporation Limited is a most unusual mining speculation with nine chances out of ten in its favor. In keeping with the trend of mining development its properties are located in widely separated areas thus applying the investment trust theory to the mining industry.

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PLAN SUBSIDIARY TO OPERATE NUTT GROUP IN MAN.

Manitoba Basin Has Had Electrical Survey Made on Property

Manitoba Basin Mines will organize a subsidiary called Jock Nutt Mines to operate the huge property of that name at Herb Lake, Northern Manitoba. The new company will be capitalized at $6,000,000, $1 par.

Radiore survey has just been completed on 15 of the 125 claims making up the group and a main conductor 10,000 ft. long has been indicated. This is on a body showing a width of 200 feet as surface.

Considerable trenching and stripping has already been done on the body and samples of the ore sent to Toronto reveal a high copper content.

Porcupine Production Total Away Down

Six months gold production in Ontario totalled $15,977,980 compared with $15,753,612 for the same period of 1927.

Porcupine was considerably lower and Kirkland Lake higher, Porcupine showing a drop of $230,000 in June. The figures for the two camps are as follows:

	6 mos. 1921	6 mos. 1928
Porcupine	$11,561,720	$ 9,887,568
Kirkland Lake	4,191,892	6,090,412
Both camps	$15,753.612	$15,977,980

Unlisted Mines

Unlisted Mine Shares

	Bid	Asked
Abitibi	5	6
Assoc. Goldfld.	1½	3
Adrien Gold	32	40
Alexandria	—	50
Aldermac	1.75	—
Astoria Rouyn	6	11
Barry Webster	—	18
Blue Quartz	—	20
Boston McCrea	4	9
Boston Catherine	½	1½
Brett Trethewey	21	30
British Canadian	9	12
Brownlee	7	16
Bunker Hill Ext.	17	20
Callinan Flin Flon	55	63
Can. Kirkland	2½	5
Cartier Malartic	—	37
Chelmsford Mining	—	50
Cobalt Contact	—	8
Gold Lake	—	40
Creighton Fair.	80	86
Cumming Trudel	—	25
Darling Kam	—	30
Donalda Units	—	25
Duparquet Rouyn	12	15
Eldorado	53	58
Elstone Durkin	4	10
Elstone Kirkland	—	30
Epplett-Metcalfe	—	10
Fiske	—	5
Flanigan Skead.	1½	2
Flintoba	—	50
Gem Lake	35	40
Gold Centre	3	5
Gordon Lebel	—	25
Goudreau	—	8
Grozelle	13	17
Gull Kirkland	—	15
Harker	21	27
Howey Units	285	310
Holtyrex	4	7
Jamieson Exploration	—	40
King Kirkland	5	10
Kirkland Central	—	8
Kirkland Eastern	—	15
Kirk Gold Belt	—	45
Kirk Gold	—	15½
Kirkland Hudson Bay	13	18
Kirkland Premier	—	25
Kirk Townsite	5	10
Lartic Mining	30	37
Lightning River	—	5
Manitoba Basin	37	40
March Gold—Old	5	6
March Gold—New	40	50
Marshay Zinc	19	25
McMillan Gold	1.1	1.35
Monelk	—	30
Montbray	20	25
Montreal Ont.	2	4
Mines of Can.	—	30
Northland	15	30
Orcanda Units	—	$10
Ore Chimney	9	14
Ostrom	9	12
Pando Gold	—	40
Pandora Units	50	55
Patterson Copper	33	36
Queen Lebel	—	12
Quinty Gold	—	25
Ramore	—	15
Red Lake Centre	—	$300
Rouyn Gold Pan	33	36
Salmo Malartic	85	95
Scranton Ontario	—	6
Sisco	48	51
Trethewey Ossian	—	15
Walsh Katrine	13	15
Westree	4	5
Wood Kirkland	24	27

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Howey Adds Width and Great Length to Main Ore Zone

An official statement on recent developments, issued by Pres. J. E. Hammell, probably explains the new confidence in Howey. The main feature of the statement is that diamond drilling 950 ft. east of the present workings has cut 10-ft. of $10 ore. The underground workings are being driven east and all faces are reported in good ore. Pres. Hammell says that recent work has consisted of slashing the walls in order to ascertain the width of the body and the average grade. This has increased the width of ore from an average of 7-ft. to 14½-ft. for a distance of 300-ft. and this is continuing. This width Mr. Hammell says positively will be increased and the $7 grade is being maintained.

Elodrado Underground Work Pushing Ahead

Eldorado Mines near Central Manitoba mines is drifting on six faces of the vein on three levels, 125, 250 and 500-ft. Progress totals about 700 feet. Workings will soon be under the point on surface where the best values were secured.

Sherritt-Gordon Drills Cut Ore at 1,160-ft.

Sherritt-Gordon's east shaft is down 240 feet and west shaft 180 feet. Stations were cut at 125-ft. in each, and the next stations will be at 250 in the east and 375-ft. in the west. Diamond drills are reported to have cut ore at 1,160-ft.

MINING STOCK QUOTATIONS

Week Ending July 17

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close July 17	Sales for wk.	Range High	1927 Low	Range High	1928 Low
Abana	1	....	....	3.45	3.03	3.37	135280	4.90	.20	3.95	1.75
Aconda	1	....	....	.16¾	.15	.15½	81950	.45	.14½	.47	.15
Afton	1	....	....	2.10	2.00	2.05	750	1.36	1.00	2.10	1.25
Albain M.	1	....	....	.77	.74	.77	1150	....	....	.77	.20
Algonquin	1	....	....	.01	.01	.01	1000	.05¼	.02	.03	.01
Amity C.	1	....	....	.55½	.51	.55½	74500	.50	.24½	.55½	.24
Amulet	1	....	....	5.45	4.50	4.60	377643	7.10	.85	5.45	3.00
Apex	1	....	....	.06	.05½	.06	11500	.10	.01	.09	.03
Area	1	....	....	.48	.37	.39	151215	1.93	.23	.48	.14
Argo. Con.	1	....	....	.06½	.05½	.06	112650	.59	.25	.34	.04
Arno	1	....	....	.32	.28	.28	108700	....	....	.39½	.15½
Atlas	1	....	....	.02	.02	.02	3500	.07	.02	.04¾	.01¾
Ankerite	1	....	....	.40	.35	.39¼	5000	1.25	1.15	1.23	.25
Bayview	25c.	....	....	.08	.07	.07½	24200	....	....	.12	.06¼
Bagamac	1	....	....	....	....	....	....	.19	.06	.17	.05
Baldwin	1	....	....	.03	.02	.02	35500	.05½	.01	.08½	.02
Barry Holl.	1	....	....	.62	.55	.56½	139350	1.50	.25	1.50	.55
Bathurst	None	....	....	.23½	.19¼	.20	50600	....	....	.35	.19¼
Beaver	1	....	....	.94	.91	.93	13525	2.75	.59½	2.25	.87
Bedford	1	....	....	.42	.38	.38	37900	.53	.19	.54	.32
Bellellen L.	1	....	....	....	....	....	....	.23½	.03	.03½	.02
Bidgood	1	....	....	.74	.66	.67	81750	1.83	.05	1.60	.61
Big Horn	.	....	....	.30	.25	.30	6300	....	....	.44	.25
Big Missouri	1	....	....	.76	.55	.67	906300	....	....	.90	.45
Boischatel	None	....	....	.02½	.02⅛	.02½	9600	.27	.03	.05	.01¼
B.C. Devel.	.	....	....	....	....	....	....	1.32	1.12	2.00	1.32
Bower M.	1	....	....	....	....	....	....	....	....	1.22	.75
Buckingham	1	....	....	.08	.06⅛	.07½	132300	.09½	.03	.08⅛	.04½
Bunker Hill	None	....	....	....	....	....	....	....	....	.35	.35
Cambro	1	....	....	.47	.46¾	.47	1100	.58	.55	.55	.29
Can. Lorraine	1	....	....	.13½	.13½	.13½	1100	.12	.10	.21	.10
Capitol S.	1	....	....	.13	.10	.10	900	.34	.14	.18½	.10
Capitol R.	1	....	....	.14½	.12¾	.13¾	177300	.54½	.10	.18	.11½
Cartier Mal.	1	....	....	....	....	....	....	....	....	.30	.29
Castle Tre.	1	....	....	.51	.47	.47	16550	1.27	.61	.81½	.47
Cen. Man.	1	....	....	1.27	1.01	1.04	93890	2.30	1.70	1.95	.90
Chaput H.	1	....	....	.14	.12	.13	67050	.20	.04⅛	.18	.08⅛
Clericy	None	....	....	.16¾	.13	.15½	27400	.31½	.31	.36	.10
Clifton	1	....	....	.01	.01	.01	1000	.03½	.00½	.02	.00½
Coast Copper	5	....	....	44.00	37.00	40.00	2415	43.25	9.75	60.00	28.00
Col. Kirk.	1	....	....	.03¼	.02½	.03¼	57200	.16	.01½	.09½	.02
Cons. Copper	.	....	....	....	....	....	....	....	....	.14½	.10
Coniagas	5	....	....	4.95	4.15	4.90	3360	5.05	3.20	5.50	4.25
Coniaurum	5	....	....	4.20	3.85	3.85	2855	5.78	2.80	5.50	3.85
Cons. Smelter	25	10+40	5.00	259½	250	250¼	3282	274½	215	289½	251
Copper Hill	1	....	....	....	....	....	....	.68	.36	.46	.44
Cork Prov.	25c.	....	....	.35	.30½	.31	80850	....	....	.47	.25
Corona	1	....	....	.07	.05½	.06¼	85400	.37	.10	.16	.05
Crown Res.	1	....	....	.50½	.45	.48	33708	.80	.39	.70	.39
Davidson	1	....	....	....	....	....	....	.08	.01	.03	.03
Dunkin	1	....	....	.39	.32¾	.34	22500	....	....	.55	.30
Destor	1	....	....	....	....	....	....	.43	.20	.28	.20
Dome Mines	None	$1	12.50	8.80	8.00	8.00	3725	14.60	6.85	13.35	8.00
Dom. Kirk.	1	....	....	.02	.01¼	.02	17000	.12½	.01½	.06½	.01
Dom. Rouyn	1	....	....	.25	.19	.20	18300	.53½	.17½	.30	.10
Dubec	1	....	....	....	....	....	....	1.48	.35	.72	.40
Duprat	1	....	....	.06¾	.05½	.06	63500	.21	.19¼	.12½	.05
Dupuy	1	....	....	....	....	....	....	.79½	.09	.10½	.10
Dunwell	1	....	....	....	....	....	....	....	....	.35	.20
Duthie	1	....	....	....	....	....	....	....	....	1.40	1.00
Everett	1	....	....	.02¼	.02¼	.02¼	500	.05¼	.01¼	.03	.01½
Federal Kirk	1	....	....	.53	.39	.40	16400	.78	.40	.77	.35
Fiske	1	....	....	.03	.03	.03	100	....	....	.10	.03
George Cop.	1	....	....	5.00	4.50	4.70	1955	....	....	6.00	2.50
Golconda	1	....	....	.89½	.83	.89½	70100	....	....	.95	.69
Goldale	1	....	....	.31	.30	.30	35900	.57½	.20	.44	.28
Gold Hill	1	....	....	.10	.08	.08	97279	.54	.22	.38½	.08
Gold Reef	1	....	....	.01¼	.01½	.01½	6000	.02½	.01½	.03	.01
Goodfish	1	....	....	.52½	.49	.50	76700	....	....	.78	.41½
Graham	1	....	....	.34	.26½	.26½	62700	....	....	.40	.26½
Grandview	50c.	....	....	.37	.33	.37	55000	....	....	.87	.30
Granada	1	....	....	.22	.20	.22	64500	.41	.14½	.35½	.20
Grover Daley	1	....	....	.12¼	.11	.11¼	47900	.37	.08	.15	.07
Harker	1	....	....	....	....	....	....	....	....	.43	.41
Harvie Exp.	None	....	....	.10	.10	.10	100	2.40	.50	.85	.10
Hecla	1	....	....	....	....	....	....	....	....	1.30	.95
Hillcrest, c.	100	6	9.23	....	....	....	....	65.00	50.00	65.00	65.00
Hillcrest, p.	100	7	7.77	....	....	....	....	90.00	81.50	90.00	85.00
Hilltop	1	....	....	.13	.11½	.12	14100	.25	.06½	.23½	.09¾
Hollinger	5	26	11.20	13.85	10.25	11.60	42015	22.65	16.40	18.10	10.25
Howey Gold	1	....	....	.90	.80	.85	177785	1.78	.42	1.91	.61
Hudson	None	....	....	19.60	18.00	18.25	42863	....	....	23.25	16.40
Indian	1	....	....	.07	.05	.07	18000	.12	.04	.15	.04½
Int. Nickel	25	$2	2.24	95.50	88.12	89.00	88032	90.25	38.00	103.75	73.75
Jackson M.	1	....	....	.85	.77	.81	40060	.86	.36	.88	.65
Keeley	1	8	12.90	.62	.60	.62	7440	1.66	.69	.85	.50
Keora M.	1	....	....	.01¼	.01	.01½	6000	.13½	.02	.05	.01
Kirk. Hunt.	1	....	....	.10¼	.10¼	.10½	31000	.35½	.18	.26	.09¼
Kirk. Lake	1	....	....	1.56	1.40	1.49	82300	3.06	.82	2.75	1.20
Kirk. Prem.	1	....	....	....	....	....	....	....	....	.40	.14
Koot. Flor.	20c.	....	....	.28¾	.25½	.26	81800	.31	.21	.47	.25
L. Kamistokia	1	....	....	....	....	....	....	....	....	1.10	1.05
La Rose	1	....	....	.07	.07	.07	2000	.12	.03	.08	.03
Lake Shore	1	.80	3.57	23.05	22.00	22.40	10880	28.20	15.40	27.70	21.15
Lebel Ore	1	....	....	.26½	.22	.26½	9300	.66	.30	.59	.16½
Laval	1	....	....	.17	.14	.14	71150	.59	.19½	.28	.13½
Lorrain C.	1	....	....	.00¾	.00½	.00½	6000	.03½	.01	.03	.00½
Lorrain T. L.	1	....	....	....	....	....	....	.86	.52	.70	.30
Lucky Jim	10c.	....	....	.35	.30	.30	60700	....	....	.44	.26
McLeod R.	1	....	....	....	....	....	....	....	....	.35¼	.34½
Mandy	1	....	....	3.35	3.20	3.20	109140	....	....	3.50	2.60
Macassa	1	....	....	.31	.28½	.30	21500	.69	.18	.55½	.27
Malartic	1	....	....	1.56	1.40	1.40	264875	.78	.23½	1.80	.70
Marriott	1	....	....	.10¼	.09	.09	7600	.45	.35	.46	.09
McDougall	1	....	....	.42	.35	.35	71950	.90	.24	.74¼	.34
McKinley	1	....	....	.19½	.19	.19½	25000	.25½	.11	.21	.16
McIntyre	5	20	4.42	23.25	22.50	22.60	6575	29.00	24.00	29.00	22.40
Mentor	10	....	....	....	....	....	....	14.00	12.00	18.00	12.50
Millcrest	1	....	....	.05	.04	.04½	25100	.15	.02	.12	.04
Mining Corp.	5	.08	....	3.78	3.45	3.50	14790	5.02	2.90	5.50	3.18
Moneta	1	....	....	....	....	....	....	.15½	.06¼	.12	.07
Montreal R.	1	....	....	.05½	.05½	.05½	20	.35	.10	.16	.05
Mint Ore	1	....	....	.38	.33	.33	10000	....	....	.44	.25
Mond Nickel	.	....	....	43.25	43.25	43.25	100	....	....	46.50	31.00
Moss	1	....	....	.40	.40	.40	1000	....	....	.70	.35
Murphy	1	....	....	.34	.34	.34	1000	....	....	.49¼	.30
Moffatt Hall	1	....	....	.27	.20	.21½	283400	....	....	.35½	.15
Nat. P.& D.	.	....	....	....	....	....	....	....	....	15.75	1.00
Nat. Silver.	50c.	....	....	....	....	....	....	....	....	.20½	.17½
Newbec	1	....	....	.41½	.30	.34½	200725	1.20	.62½	.66	.23
Night Hawk	1	....	....	.07½	.07	.07	6500	.10½	.04	.10	.05½
Nipissing	5	6	8.45	3.75	3.50	3.55	2535	10.30	5.25	6.00	3.50
Noranda	None	....	....	54.75	47.50	51.60	223426	25.80	19.95	64.50	17.00
Notre Dame	1	....	....	.64	.61	.62	4300	....	....	.67½	.50
Ophir	1	....	....	....	....	....	....	.04¼	.00¼	.03	.01
Osisko	.	....	....	.65	.58	.58	5500	....	....	.75	.35
Picard	1	....	....	.09½	.04¼	.08	169790	....	....	.77	.04⅛
Pawnee Kirk	1	....	....	.30½	.29	.30	15400	.78	.64	.80	.26
Pend Ore	1	....	....	14.95	13.20	14.75	11825	....	....	25.50	8.00
Pend. pref.	.	....	....	....	....	....	....	....	....	1.40	.95
P. L. Cobalt	1	....	....	.25	.23	.25	24065	.18	.02	.30	.06
Porc. Crown	1	....	....	.04	.03¼	.04	8500	.11	.03	.08	.03
Pioneer	1	....	....	.54	.48	.53	51100	1.18	.45	.68	.47
Potter Doal	None	....	....	.15½	.11	.13	98200	.65	.10½	.22	.09½
Premier Gold	1	24	10.43	2.30	2.20	2.30	9650	2.50	1.86	3.50	2.15
Preston	1	....	....	.03	.02	.03	4600	.07	.03	.05	.02
Porter Idaho	50c.	....	....	.70	.64½	.70	17000	....	....	.88	.45
Ridgedome	1	....	....	....	....	....	....	....	....	1.25	1.03
Ribago	1	....	....	.11	.09	.10	25400	.87	.13	.25	.07
Rouyn G.	1	....	....	....	....	....	....	.04½	.02½	.03½	.01½
Rouyn, Que.	1	....	....	....	....	....	....	.04	.01⅛	.02	.01½
Rubec	1	....	....	.15	.15	.15	1500	3.65	.80	.80	.15
Realty & M.	None	....	....	.51	.46	.51	4000	.38	.15	.54¼	.09½
R. Montbray	.	....	....	.22	.18	.19½	85500	....	....	.32	.18
Ruth Hope	1	....	....	.59	.56	.57½	18870	....	....	.63	.44
Rouyn Kenn.	1	....	....	....	....	....	....	....	....	1.10	1.10
Rufus Argenta	.	....	....	.25	.16	.21½	166500	....	....	.37	.16
Simard	.	....	....	8.25	8.00	8.00	2760	....	....	11.50	8.00
Silversmith	20c.	....	....	....	....	....	....	....	....	.23	.12
Slocan King	20c.	....	....	....	....	....	....	....	....	.11	.08
Selkirk	.	....	....	....	....	....	....	....	....	.03	.02⅛
San Antonio	None	....	....	.48	.40	.43½	160269	.57	.30	.57½	.33
Siscoe	1	....	....	.51	.49¾	.50	10500	.60	.12	.60	.15
South Keora	1	....	....	....	....	....	....	.64½	.04½	.17¼	.03½
Stadacona	None	....	....	.17	.14	.16¼	112372	.55	.15	.21½	.09
St. Anthony	1	....	....	.48	.46½	.47	4700	.50	.16	.52	.33
Sudbury M.	1	....	....	.06	.05	.05	6350	....	....	.33½	.04
Sylvanite	1	....	....	2.70	2.35	2.45	5115	4.80	2.60	3.90	2.10
Sherritt G.	1	....	....	7.55	6.90	7.00	86416	....	....	8.40	5.60
Sud. Basin	None	....	....	9.75	9.21	9.25	33680	....	....	12.00	8.40
Sud. Contact	1	....	....	.27	.25	.25	5525	....	....	.50	.19
Sunloch	1	....	....	....	....	....	....	....	....	6.50	2.25
Thom. Cad'c.	1	....	....	.68	.64	.68	58900	....	....	1.06	.57½
Topley	.	....	....	.59	.57	.58	26150	....	....	.65	.55½
Teck Hughes	1	60c.	6.03	11.00	9.90	9.95	68963	12.00	5.37	11.60	7.85
Telluride	1	....	....	.50	.50	.50	500	.38	.35	.58	.37½
Tough Oakes	1	....	....	.26	.24	.24	53400	.82	.25	.79	.21
Towagmac	1	....	....	3.85	3.30	3.64	24445	5.75	2.85	4.10	2.25
Timiskaming	1	....	....	....	....	....	....	.12	.04	.10¼	.05
Treadwell Y.	1	....	....	18.75	17.60	18.00	2785	26.75	18.50	32.00	16.95
Thom. Krist.	1	....	....	....	....	....	....	.02	.00½	.01½	.01
United Kirk.	1	....	....	....	....	....	....	....	....	.20	.10
Vaughan	1	....	....	....	....	....	....	....	....	1.70	1.15
Vickers	1	....	....	.70	.70	.70	1000	1.52	.25	1.25	.60
Vipond	1	....	....	.59	.46	.50	200216	1.74	.47	.99	.45
Wakenda	1	....	....	....	....	....	....	.16	.01	.15½	.06
West. D. Lake	1	....	....	.10	.09	.09⅛	61875	.20	.08	.17½	.08½
Wiltsey C.	1	....	....	....	....	....	....	.74	.50	.58	.38
Wright Har.	None	10c.	3.07	4.00	3.25	3.25	144585	8.45	5.50	6.80	3.25
Windfall R.	None	....	....	.13¼	.08	.13	149550	.31	.19¼	.25	.07
Whitewater	1	....	....	2.45	2.32	2.34	5850	....	....	2.85	2.25
Woodbine	None	....	....	.31	.29¼	.31	19100	....	....	.46	.27

CALGARY OIL STOCK

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close July 17	Sales for wk.	Range High	1927 Low	Range High	1928 Low
Acme	.	....	....	.25	.25	.25	125	....	....	.30	.17
Advance	1	....	....	.70	.62½	.65	4475	....	....	.95	.25
Alta. Pac.	1	....	....	.55	.50	.52	2897	....	....	.81	.30
Black Dia.	.	....	....	....	....	....	....	....	....	.35	.26
Brit. Dom.	1	....	....	.45	.42	.46	1170	....	....	.75	.25
Calmont Es.	.	....	....	....	....	....	....	....	....	1.00	.75
Calmont	1	....	....	.77½	.77½	.77½	500	....	....	2.10	.77½
Cal. Pet. P.	.	....	....	....	....	....	....	....	....	5.50	4.25
Cherokee	.	....	....	....	....	....	....	....	....	.07	.06
Dalhousie	None	....	....	2.60	2.45	2.55	6170	....	....	4.25	2.25
Devenish	None	....	....	.60	.53	.57	1739	....	....	.75	.27
Great West	1	....	....	....	....	....	....	....	....	.31	.10
Ill. Alta.	1	....	....	.54	.51	.54	8770	....	....	.77½	.45
Madison	.	....	....	....	....	....	....	....	....	.20	.14
Mayland	.	....	....	1.30	1.10	1.25	2800	....	....	1.47⅛	1.06
McD. S. Ex.	1	....	....	2.50	2.30	2.35	3110	....	....	3.00	1.40
McD.S. (new)	1	....	....	1.45	1.37½	1.45	1195	....	....	1.80	1.00
McLeod	1	....	....	4.90	4.65	4.85	2559	....	....	7.10	2.97
Mid West	1	....	....	.31½	.31½	.31½	100	....	....	.50	.26
Mill City	1	....	....	.32½	.32½	.32½	332	....	....	.55	.27
Moose M'tn	1	....	....	....	....	....	....	....	....	.30	.25
Okalta, c.	None	....	....	....	....	....	....	....	....	47.00	20.00
Okalta, p.	100	....	....	....	....	....	....	....	....	100.00	70.00
Ranchmen's	1	....	....	.60	.55	.55	1721	....	....	.80	.55
Regent	.	....	....	....	....	....	....	....	....	.25	.25
Royalite	None	....	....	65.00	60.00	65.00	64	....	....	84.00	45.00
Signal Hill	1	....	....	.18	.14	.16	1817	....	....	.30	.12½
Spooner	1	....	....	1.55	1.40	1.52½	1425	....	....	3.00	1.10
Stockmen	1	....	....	....	....	....	....	....	....	.60	.32
Turner Valley	1	....	....	.40	.40	.40	110	....	....	.70	.30
United	1	....	....	1.80	1.65	1.70	2460	....	....	2.65	1.12
Vulcan	1	....	....	2.05	2.00	2.00	109	....	....	3.03	2.00
N. W. Pacific	.	....	....	....	....	....	....	....	....	.09	.09
Dallas	.	....	....	.30	.30	.30	200	....	....	.30	.30

Canada's 3 Largest Base Metal Ventures Value $414,000,000

Common Shares of International Nickel Reaches Greatest Level

ORE RESERVES HUGE

Estimated Value of Three With Mond Nickel May Exceed $1,500,000,000

Canada has three base metal mining operations, the common stock of each having a market value of over $100,000,000. International Nickel leads, Consolidated Smelters comes second, then Noranda. Mond Nickel stands fourth, but its common is valued under $50,000,000. International Nickel, Noranda and Mond each have securities standing ahead of the common. "Smelters," a couple of years ago, redeemed all its bonds.

The past two years has been marked by a tremendous awakening of public interest in these issues. Consolidated Smelters, a few years ago, showed the public the possibilities of such operations from an earning and speculative point of view where the operation was on a sound basis.

It sold up from around $15 a share to well over $200 in a couple of years. The rise of International Nickel was just as spectacular, however, it moving up from 12 to the century mark, four times par, in one year, and the bulk of the rise took place in the first eight months.

Noranda's Move Up

Noranda, the last of the trio to pass the $100,000,000 mark negotiated the market from $17 to $60 in a couple of months, and considering its rapid rise, has held its advance fairly well.

It was about fifteen months ago that The Financial Post published the story that brought Mond Nickel into the limelight. The stock was then selling at the sterling equivalent of about $10 per share. Now it is traded in in Canada and selling above $40, and is likely to move steadily up with the important news that is coming out, as will be seen by a review published elsewhere in this issue.

Copper Part of Output

Dealing with what they refer to as "the Canadian Copper stocks," although copper is only one of the products of all four companies, and in Noranda's case only is it the principal product, Flood, Potter & Co., Montreal, have set forth some interesting facts about these companies in a circular to shareholders, and make the interesting point that until recently the big investment interest in three of these issues has switched from outside to the Dominion. They say that in each of the four companies the discovered ore reserves are immense. In International Nickel, and in Noranda, it is conservatively estimated that reserves of good grade ore amount to at least 1,000,000 tons. The Mond Nickel properties adjoin those of International Nickel, and share with it the same ore bodies, so while the last reports published show a sufficiency of ore for forty years at the present rate of production, with a total of 8,000,000 tons for the Levack Mine, and 10,000,000 tons for the Frood extension a year ago, it is easily possible that the reserves in this company may equal those of International Nickel. Salient facts about each are set forth in the following table:

	International Nickel	Noranda Mines	Consol. Mining & Smelting	Mond Nickel
COMMON STOCK:				
Outstanding	1,673,384	2,168,566	509,192	900,000
Current price	$97	$54	$266	$45
Market value	$162,318,248	$117,102,564	$135,445,072	$40,500,000
EARNINGS:				
Estimated for 1928	$9,500,000	$3,600,000	$13,000,000	*
Per share '28 est.	$5	$3.25	$25	
Dividends & Bonus	$2.00	none	$12.50	7%
Yield	2.06%	....	5%	2%
Ore reserves; tons	100,000,000	100,000,000	*	*
Valued at	3-6,000,000,000	3,000,000,000	*	*
CAPACITY:				
Daily now	3,500 tons	7,900 tons	4,000	*
Daily in two years	14,000 tons	4,000 tons		
Senior securities	$8,912,000 pfd.	$3,000,000 bonds	none	$18,750,000 pfd. & 'A'

*Figures not available.

Noranda Cut $75 Ore Drilling at Deep Level

Noranda ore on the 375-foot level in the ore assay taken of a diamond drill core, from a horizontal hole, shows $53 in gold and 8 per cent. copper. At 14c. copper values are $22.40 or $75.40. The drill cut 131 ft. of ore, says Pres. J. Y. Murdock or which 50 to 60 ft. was good ore. This is in "H" ore body. To west ore body is proven 418 ft. so that the total width is over 500 ft.

Abana Drillers Cut New Copper Body 11 ft. Wide

Abana Mines has cut a new 11-ft. copper ore body in diamond drilling below the 300 ft. level.

Further drilling in the same hole cut the downward extension of the first orebodies developed on the 300 ft. level between the 550 ft. and 600 ft. levels. This new development adds considerably to the known indicated ore reserves.

The drill will now be set up to cut the 30 ft. ore body east of the diabase dyke at a depth of 600 ft. It is then the intention to open up the mine to the 500 ft. level in preparation for the new mill as soon as power is available from the Diesel installation, which should be about the end of August.

HARVIE DEBENTURE OFFER

Harvie Mining shareholders have been given until July 23 to take up the offer of debentures. It is understood that the response has been negligible.

W. HARGREAVES ORE NOW GRADING BETTER

From Now on Company Should Be Able to Earn Regular Dividend

Wright-Hargreaves is causing many people heartaches. The shares got close to the $3 mark this week, following the cutting of the dividend in two.

Many have sacrificed their holdings and got out and others seem uncertain as to what to do.

Pres. Cabana, in a letter dealing with the dividend cut, offers considerable encouragement. He says that it was thought advisable for the present to reduce the dividend payment to 2½c. per share instead of 5c., as heretofore, due to the fact that in the extensive underground development, including sinking two shafts to the 2,000 foot level, an unusually large quantity of low grade ore was encountered, resulting in the company not producing sufficient to pay the customary dividend of 5c. per share from earnings, and the desire not to draw too heavily on the surplus account.

The most recent report on the property, submitted at the meeting by the general manager, was quite encouraging. It was the opinion of the management that from now on the grade of ore milled would be considerably higher, and the possibilities of earning the regular dividend seemed very likely.

The month of July has opened with mill-heads running $9 per ton, which is a distinct increase, and General Manager Grant was optimistic as to the improvement continuing.

BIG HORN ACQUIRES ARIZONA PROPERTY

Recent Activity in Stock is Explained—Values are Spectacular

Rather a spectacular gold property in Arizona in the same general vicinity as the property of Old Colony Mines near Kingman, has been acquired by Big Horn Mines, which is operating a property in British Columbia. Shares of this company are listed in Toronto and have been quite active of late. The property is that of Empire Gold Mining Co., and was subjected to some crude mining development. Despite this, E. E. Campbell, M.E., on sampling it, found ore shoot of quite spectacular and consistent ore with a length of 400-ft. As the shaft was put down with an 80 degree dip on a vertical vein, it is believed that this ore was cut by accident, and perhaps the operators never knew they had passed through it. W. W. B. McDougall, manager of Big Horn, is leaving for the property to start work.

On the Big Horn, B.C. property a considerable tonnage of excellent ore is being put in sight and this property should soon be earning steadily.

Big Horn, after paying for the new property, will have 700,000 shares issued and 800,000 in the treasury.

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CAN. PACIFIC MOVES RECORD GRAIN VOLUME

More Handled to Date Than for All of Last Year

BIG SHARE TO COAST

Prospects Look Promising for Repetition in 1928-29—Earnings Reflect Big Movement

From Our Own Correspondent

MONTREAL.—In two weeks time the 1928 crop year comes to a close and with it one of the best twelve months period the Canadian Pacific Railway has ever had in the handling of grain.

The rail movement of Western grain this year was greatly aided by the late harvest, which necessitated the moving of a larger proportion of the crop to the seaboard by rail than is usually the case.

For that period of the current crop year, from August 1, 1927 to July 7, 1928, 262,000,000 bushels of grain had been moved by the Canadian Pacific. This meant the handling of 183,820 cars.

It has been some years since such a large volume of grain has been handled by the company. Even in 1926-27 and 1925-26, which were better than ordinary years, less grain was moved than has been the case to date. In the last crop year, for example, 224,946,225 bushels, representing 157,857 cars, were loaded, while in 1925-26, 226,513,725 bushels were handled in 158,957 cars.

Heavy Western Movement

An interesting feature of the grain movement over the Canadian Pacific Railway lines this year, has been the abnormally large amount routed westward to Vancouver. Only five years ago the movement of grain through the port of Vancouver was insignificant. In the last two or three years this route has come to be favored by exporters for grain from Alberta and parts of Saskatchewan.

Last year approximately 40,000,000 bushels of grain were despatched from Vancouver. From present indication it appears likely that at least 80,000,000 bushels will pass through Vancouver for the crop year 1927-28.

In bringing about this change, the Canadian Pacific has played an important part and also has benefited.

For the crop year 1925-26, 17,339 cars containing 26,008,500 bushels of grain were hauled to Vancouver by the Canadian Pacific. Last year this movement dropped off slightly to 13,909 cars, or 20,863,500 bushels. This is an increase of over 100 per cent. both in the numbers of cars moved and also in the quantity of grain handled.

Prospects for another heavy movement of grain by the Canadian Pacific in 1927-28 appear to be exceptionally good. Not only has there been an increase in grain acreage planted to grain in the West, but abundant moisture and good growing conditions promise a record yield.

Last year about 425,000,000 bushels of wheat were threshed on the prairies. This year every indication points to a harvest at least two weeks earlier than in 1927. This will ensure an early movement of the crop to the head of the lakes and to Vancouver and should further improve the already good earning record of the Canadian Pacific for 1928.

Reflected in Earnings

The heavier grain movement is reflected in the current earnings of the company. For the first five months of this year gross earnings amounted to $80,204,864, as compared with $73,571,659 in the corresponding months of 1927, an increase of $6,633,204. At the same time net earnings advanced from $10,747,847 to $13,547,553, a difference in favor of this year of $2,826,706.

The definite proportion of the increase which can be credited to the grain is, of course, not known at the moment but it should be very substantial.

BIG GRAIN MERGER OWNS 276 ELEVATORS

Canadian Consolidated Grain Co. Operates from Great Lakes to Pacific

The Canadian Consolidated Grain Co. is the name of the latest merger of Western terminal and line elevators. The new company is headed by W. H. MacWilliams, with C. E. Austin as vice-president and Charles Hayes as secretary. The new enterprise is capitalized at $6,000,000, but there is no new financing contemplated, shareholders in the constituent companies having absorbed the new shares.

Canadian Consolidated Grain takes over the elevators of the Canadian Elevator Co., Ltd., Dominion Elevator Co., Ltd., Victoria Elevator Co., Ltd., Crescent Elevator Co., Ltd., McCable Elevator Co., Ltd., Empire Elevator Co., Ltd., and the Thunder Bay Elevator Co., Ltd. Total elevator capacity of the new company is 12,000,000 bushels, the Thunder Bay terminal at Fort William having space for 3,500,000 bushels, and 275 country elevators owned by the merger in Manitoba, Saskatchewan and Alberta, having storage capacity for 8,500,000 additional bushels.

BREWERY STRIKES SNAG IN OSHAWA

Budweiser Company of Canada May be on City Land

The Budweiser Company of Canada plans to locate a brewery at Oshawa, Ont., but the company is not having easy sailing in its initial stages.

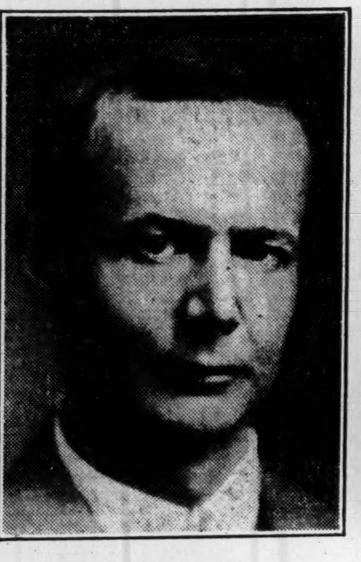
A license from the Ontario liquor control board has not been obtained. The industrial committee of the Oshawa Chamber of Commerce secured the brewery and had the council agree to sell the company some city land. This has aroused protests from the ministerial association and Oshawa prohibitionists. Further, in concluding the transaction, it was understood that the company was fully financed and since then Oshawa citizens have been offered stock.

A special committee of the Oshawa Chamber of Commerce is inquiring into the financing. If an issue of stock has been underwritten, it is possible that some objections to the brewery as an Oshawa enterprise will be withdrawn.

Robinson Brothers Invaded United States to Net Big Policies

Two Canadian Life Underwriters Proved in Akron, Ohio, That Their Methods of Writing Business Were Sound

By R. D. GILPIN-BROWN



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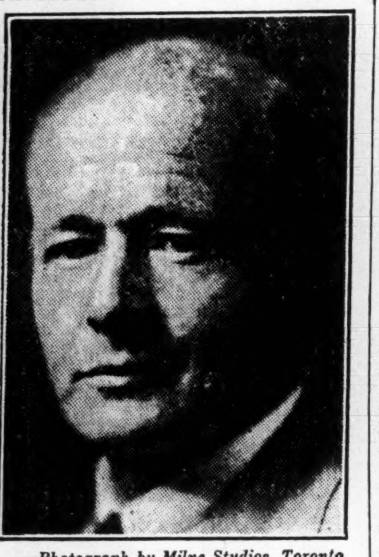


—Photograph by Milne Studios, Toronto

J. BEVERLEY ROBINSON

Last September two representatives of a Canadian life insurance company decided to make a business trip to the United States. The trip was to be more or less in the nature of an experiment. The object of the insurance men was to discover whether the basic idea in their sales methods, which had been eminently successful in Canada, would be applicable in the United States.

They were away just eleven weeks, and returned to Toronto having placed insurance totalling $1,321,000, with a premium value of approximately $71,000. The trip was voted a success.

Canada's Biggest Producers

Here's the story; the details are interesting.

J. Beverley Robinson and Duncan S. Robinson of the Canada Life Assurance Co., Toronto, are, so far as can be ascertained, the biggest producers of life insurance in Canada. In the last four years their sales have totalled over $7,000,000. In 1925 they were joint presidents of this company's Quarter Million Club, with sales of $2,000,000 and premiums of $85,000. In 1926, they shared that honor for Canada and the United States with sales of $2,081,000, premiums of $89,000. Last year they climbed into the president's chair with the stupendous total of $2,316,000, the premiums on this being $115,000. These amounts do not represent pooled business; the brothers work absolutely together as a team, and each policy written is the result of their combined efforts. Over 95 per cent. of their business is written on the ordinary life plan.

The work of the Robinson brothers in the field of estate analysis with special reference to wills and succession duties, is well known in Ontario. It had been suggested on several occasions that there was an even greater field in the United States for this special work. As a result, a preliminary trip was made to Akron, Ohio, in November 1926. Practically all the time was spent in conference with the local trust officers, attorneys and other authoritative sources of information.

On their return, months were spent in technical study and investigation on the federal and state laws and statutes, and the principles and practical application of the federal and state inheritance tax legislation. In September, 1927, they set out again for Akron and started work in earnest. On October 18 the first policy was written, and when they left on December 13 this whirlwind pair had placed $1,321,000 of insurance on 25 of the wealthiest residents of the city. Every cent of this was written in Akron, a city of about 210,000 population and went through the Akron office of the Canada Life.

The trip was made at the express invitation of Messrs. Akers and Garrigan, Akron district managers for the Canada Life, to whose close co-operation the Robinson Brothers state that much of their success was due.

In the main, practically the same methods and principles were used as had been so successfully worked out and applied in Ontario. The work was exclusively confined to estate analysis, including in every case the preparation of new wills and necessary trust documents. During their stay the closest and most cordial relationships were established and maintained with the legal profession and principal trust companies.

A leading bank and trust company of Akron wrote a letter following their visit in which it declared that:

"We have had the pleasure of co-operating in the closest way with the Messrs. Robinson over a period of some months—of observing their methods and of checking their wills, trust documents and other technical papers, the preparation of which for their clients is a chief part of the service they are rendering the public. We regard them as masters of their subject in every sense of the word.

"In the short time they have been in Akron they have established relations of the most confidential character with a large majority of our leading business men. We have heard nothing but praise from their clients for the work the Messrs. Robinson have done for them, and in so far as it has been responsible for furthering their activities by personal introduction, we feel that this Bank has performed a genuine service to the community."

Other letters from Akron business men speak similarly in praise of the work done by the two brothers in that city.

A résumé of the business written during their eleven weeks trip follows:

Time in Akron—11 weeks.

Time after first policy written—8 weeks.

Work completed for .... of whom there were un-insurable, or over the insurable age	38 clients 4 clients
Leaving as insurable clients	34 clients
of whom there were insured (or 74 per cent.)	25 clients
Total business written	$1,321,000
Average	52,800
Total premiums over	71,000

All cases except two small ones on clients' sons, totalling $34,000—both 30 pay life—were written on the ordinary life plan.

Resumé of Cases

1	$250,000	1	$34,000
1	200,000	2	30,000
1	100,000	5	25,000
2	75,000	1	20,000
5	50,000	1	17,000
1	40,000	2	15,000
1	35,000	1	10,000

To Pay Packer Dividend Probably on October 1

Preferred and Common of Merged Meat Concerns Will be Listed at Same Time—U. S. Business Grows

Arrears of dividends on the preferred stock of Canada Packers will be paid, probably October 1, and at the same time both the preferred and common stocks of this company will be listed on the Toronto Stock Exchange. This information comes from an authoritative source.

Dividends on the $6,750,000 of preferred of Canada Packers accumulate from August 17, 1927. The directors are said to have decided not to make an initial payment until the company has built up a reserve of at least two years' earnings, or a little less than $1,000,000. It is expected that this reserve will have been created by October 1, the next dividend date.

Merger Works Well

Canada Packers is the holding company which co-ordinated the bulk of the buying and marketing of meat and other food products in Eastern Canada. The company now controls the William Davies Company and Harris Abattoir Company and the latter owns Canadian Packing Co. and Gunns, Ltd. Thus all of the packing companies in Eastern Canada which are important factors in the export market are under one control.

The merger has worked well from the start. The most capable men in the industry in Eastern Canada are actively in control and there have been material savings in administration, purchasing and selling expenses.

Consumption Increases

The fine outlook for Canada Packers, Ltd., despite disturbed conditions in the markets of the United Kingdom, is attributed in part to the unprecedented and rapidly rising demand for animals and their products from the United States. Cattle exported from Canada in the last fiscal year were valued at $13,877,405, whch was an increase from $11,579,057 the previous year. It is believed that there will be further increases in exports to the United States.

The general prosperity of the country is contributing largely to the improved conditions in the packing industry. Fully 85 per cent. of the beef cattle produced in Canada are consumed in this country. The per-capita consumption of meat has been steadily increasing as the people have been prospering; in 1927, the per-capita consumption was 156 pounds, compared with 147 pounds in 1925. With beef prices somewhat higher in the last year, there has been a consequent increase in the consumption of pork, mutton and lamb, while consumption of beef dropped slightly.

National Fish Week

Canada is to have a national fish week from October 29 to November 4, inclusive. This was decided at the closing session of the annual meeting of the Canadian Fisheries Association in Montreal. For a number of years a national fish day has been observed, usually in October; but dealers have come to regard this as insufficient. The purpose of fish week is to popularize fish as a main article of diet.

Company Started in 1923 to Return Capital Intact

Shareholders of the Finch Shoes, Ltd., Winnipeg, are to have their cash returned to them according to one of the officials of the Municipal and Public Utilities Board.

The company was organized in 1923 and over $10,000 was subscribed to start the company. The board at the time of the organization of the company required that all monies subscribed should be placed with trustees to protect the shareholders. After considerable effort to get the company started the shareholders have decided to abandon the proposition, and under the terms of the organization will receive their money back. The utilities board will make the distribution as soon as it receives a list of the shareholders from the directors of the company.

BRIDGE CAPITAL NOW FULLY PAID UP BY HOLDERS

Additional 40,625 Shares Rank Equally As To Dividends

From Our Own Correspondent

MONTREAL.—Final payment has been made on the 40,625 additional no par value shares which were issued by the Dominion Bridge Co. to shareholders at a price of $50 a share.

This means that these new shares take rank with the 325,000 shares formerly paid up and outstanding and raises the company's paid up capital to 365,265 shares.

It will be recalled that the new shares were offered to shareholders early this year on a basis of one in eight and that they were made payable in instalments on March 1, May 15 and July 15.

One of the most interesting features in connection with the bringing of the outstanding shares to a fully paid basis is that they now take definite rank to participate in future dividends to be disbursed on Dominion Bridge capital stock. As a matter of fact, the entire outstanding capital of the company as it now is participates in the dividend which accrues during the three months to July 31 next.

The stock of Dominion Bridge is now quoted at around 84, so that in the last six months there has been appreciation of 68 per cent. in its value.

ZIMMERKNIT EARNS $1.27 PER SHARE

Financial Position of Company is Further Strengthened

After setting aside $53,343 for depreciation, paying all charges and a preferred dividend of $41,974, Zimmerknit Limited earned $1.27 per share on the common stock during the period ended April 30 last. This takes in twelve months' operations of the Zimmerknit proper, but only seven months of the Harvey Knitting and Hosiers Limited. No dividends were paid on the common, the surplus of $37,732 being carried to general profit and loss surplus which now stands at $405,108.

During the year the company's financial position was still further improved. The ratio of quick assets to current liabilities is now 2½ to 1, the figures being $1,467,368 to $588,471. Net working capital is shown at $878,896. Total assets are valued at $3,118,578.

SPRUCOLITE BUYS GUELPH LOCATION

F. E. Partridge Factory Purchased by Canadian Company

The Canadian Sprucolite Company has purchased the large factory formerly occupied by the F. E. Partridge Co. in Guelph, and will start immediately to equip same for the manufacture of Sprucolite products in Canada. The building is modern in every respect, and of sufficient strength and sturdiness to take the heavy class of machinery used by the company in turning out its products. Equipping of the plant, which is empty and ready to take the machinery, will be comparatively simple, as the machinery installed will largely duplicate the equipment used in the parent company's plant at Bloomfield, N.J. This means that patterns for many of the machines are available practically down to the last detail, though there will also be many new units aimed to make this plant the most modern in America.

The building purchased at Guelph is excellently suited for the company's purpose and was selected after an exhaustive examination of proposed sites by the president of the parent company.

In the period of time that will elapse between equipping of plant and commencement of operations, which is estimated at 3 to 4 months, orders will be filled by the U. S. company at a price to net a good profit to the Canadian enterprise. Orders on hand being already filled are stated to constitute a substantial volume of business.

Start Counter-Action Against Hearst Papers

From Our Own Correspondent

MONTREAL.—An action for the recovery of $978,630 from William Randolph Hearst and one of his companies has been instituted in Quebec by the Canadian Paper Sales, a subsidiary of the Canadian Newsprint Company, which until recent months handled the export sales for about 50 per cent. of the newsprint produced in the Dominion.

Some time ago Hearst instituted in the U.S. a suit for some $24,000,000 against the companies formerly selling through the Canadian Newsprint Company. The present Canadian suit is in the nature of a counter action against Hearst and his companies.

The Canadian interests have gone one step better and have seized shipments of newsprint consigned to Hearst on the ground that the paper becomes the property of Hearst as soon as it leaves the mills. The seizure has been made to keep the merchandise from leaving the jurisdiction of the province of Quebec.

The Canadian Newsprint interests are, therefore, asking the Canadian courts to declare the seizure valid, and, in default of the payment of their close to a $1,000,000 claim, that the shipments be sold and the proceeds used to satisfy in full the claims of the Canadian Newsprint interests.

The shipments of paper sold to Hearst which have been seized apparently were produced by Anglo-Canadian, Brompton, and the Lake St. John mills. Enough paper has been seized to satisfy the claims of the Canadian Newsprint group.

Smelters Ventures on Coast Are Long Way from Earnings

Big Interest of Moment Centres Around Big Missouri Payment

HAS TWO OTHERS

George Copper and Coast Copper Being Developed—May Mean Coast Smelter

Consolidated Smelters has officially notified Pres. J. S. Gregory, of Big Missouri Mining Co., that it intends to make its property payment on Saturday.

Big Missouri shares are seemingly being accumulated. The supposition of many is that the buying is on the part of those who either know or are confident that Consolidated Smelters will meet the final big property payment due on Saturday of this week and amounting to $75,000.

Pres. J. J. Warren of "Smelters" is reported at the coast, and this is accepted as a favorable factor.

Big Missouri property has had many ups and downs. It has been tackled by numerous groups, some work done and then dropped. The question has always been as to whether or not the ore body was a shallow blanket deposit or was deep seated. In other words, it has always been felt that the huge surface showings were those of a tremendous body of practically nothing.

Has Working Option

Consolidated Smelters was interested in the venture on a working option basis being enticed in by the Big Missouri Co. of Tacoma, Wash. That company had paid $75,000 of purchase money and spent $140,000 on development. "Smelters'" deal was to spend $75,000 on development and if satisfied was to pay $75,000 by July 21 of this year. Meanwhile "Smelters" went at the property in an aggressive manner, and there have been numerous reports of big successes. None of these was official, and they were nothing more than guesses.

If "Smelters" has proven the downward continuaton of the ore body, the payment will be made on Saturday, and if it is made it is a fairly safe conclusion that the Big Missouri is the big property that many have claimed it is.

Must Have Patience

On the other hand, if the property is taken up, holders of Big Missouri shares must be prepared to be patient.

The property is a long way up the mountain from Tidewater and is reached by a wagon road. The development of the ore body to prepare the operation for production will take at least a couple of years. Even then production may not be started, depending on the plans of "Smelters" for its coast operations.

"Smelters" is developing George Copper, which is in the Bear River section of Portland Canal area, which is east from Stewart, while Big Missouri is in the upper Salmon River section and north of Stewart. "Smelters" also has Coast Copper on Vancouver Island and Sunloch. Nothing has been done on the latter since 1922, and two years' work on Coast Copper finds that operation considerably removed from production, and even lacks transportation facilities other than a wagon road.

Might Ship Ore

"Smelters" might ship high grade copper from Coast Copper to Trail, but this is unlikely. Thus a concentrator will be required and then the concentrates will have to be shipped. On the other hand, Big Missouri and George Copper, away up on the Alaskan Boundary, are a tremendous distance from Trail. The cost of getting ore to Tidewater will be high and then there would be the long water and rail route which put Trail Smelter out of the question.

From these facts it would seem that the long mooted smelter for Consolidated Smelter on the coast, will work out as the logical thing, if the company is able to prove up ore bodies on Big Missouri and George Copper, to add to the tonnage that would be provided by Coast Copper.

Means Long Wait

This seems the logical thing to do, but it also means that earnings by these subsidiary companies are a long way off. If "Smelters" plans anything like this, it will not move until a sufficient tonnage of ore for a smelter is assured, and that will mean that after these properties are absolutely proven, at least two years must elapse before any earnings figures will be available.

Investment Offerings

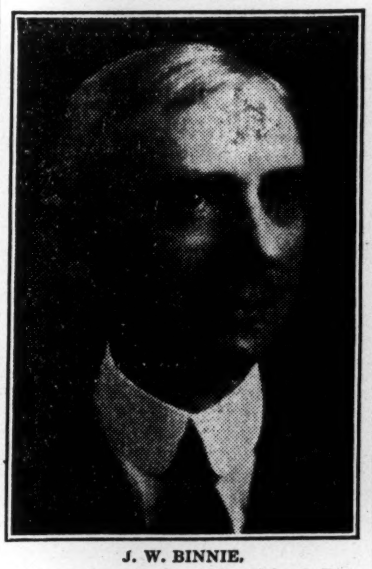
Cochran, Hay & Co., Limited, has issued a booklet, "Investment Offerings," reviewing briefly general market conditions and several industries, with a list of a number of offerings made to the public recently.

Insurance Leader

G. L. GOULD,

Edmonton, the Vice-President of the Production Club of the North American Life in the West. He holds this office by reason of the fact that during the Club year he wrote and paid for the second largest amount of personal business in his section.

Heads C. F. U. A.



J. W. BINNIE,

manager for Canada of the Globe & Rutgers Fire Insurance Company and of the Insurance Company of the State of Pennsylvania, who has been elected president of the Canadian Fire Underwriters Association for the coming year.

OLD COLONY PUSHES AHEAD IN ARIZONA

Some Good News May Be Expected Shortly from There

Old Colony Mines has 55 men engaged on its Arizona property, while spectacular indications are reported from the electrical survey on the company's Newfoundland holdings. The latter is about completed. W. Holloran, superintendent of the Arizona property, is making regular progress reports on the driving of the four tunnels, one 5,050 ft. another 4,550 ft, a third 4,200 ft. It is expected that in the near future some interesting news will come from this work as the drills are now in a horizon where at least three veins should be cut. The 5,050 ft. tunnel in 300 ft. on July 1 was 58 ft. from its primary objective; Eagle crosscut is nearing the Eagle vein. In the 4,550 tunnel, a crosscut is being run to the Prince George shaft. Some very good sections of ore have already been encountered.

Find of Nickel Ore Reported in Saskatchewan

New of a spectacular mineral discovery in Northern Saskatchewan is reported. The scene is 75 miles west of Flin Flon and the discovery is said to show a 50 ft. body of nickel-copper ore. Toronto interests are after the group. A great rush of prospectors to the scene is under way.

Granby Profits up For Second Quarter

Granby Consolidated earnings for the second quarter of 1928 are higher than those of the preceding quarter, and for the same period a year ago.

The quarter's figures are $747,608 before depreciation, depletion and tax provision. The preceding quarter's figures were $553,605 and $513,591 for the second quarter of 1927.

Half year profits total $1,301,214 against $807,540 for the first half of 1927. Copper producing costs were 8.867c. per lb., as compared with 9.654c. for the first quarter.

McLeod River Placer Values Running High

Continued tests of the McLeod River placer property show increasing values. Drills have reached bed rock below the water level and show that values persist, while panning on the upper benches has revealed some spectacular gravels running $6 per cubic yard.

McColl-Frontenac Earnings Running Ahead of Last Year

From Our Own Correspondent

MONTREAL.—It is understood that the profits of the McColl-Frontenac Oil Company, before depreciation, are running at the rate of three times the preferred dividend requirements. The company is steadily increasing its activities in all directions; further retail outlets are being acquired, and the company's production capacity has been increased. Sales during the past two months have shown a substantial increase over sales of the two component companies during the corresponding period of 1927.

Baker Paton Cut Ore Body

Callinan Flin Flon has cut 45-ft. of ore on the 150-ft. level of the Baker-Paton and 32-ft. of this is massive sulphides. The shaft is down 365 feet and crosscutting will be done at 400 feet.

Mint Ore Sinking

Mint Ore Mines operating near Jackson-Manion in Woman Lake, has started shaft sinking on the Dome vein, which has revealed high gold and platinum values.

UNLISTED MINING STOCKS

BOUGHT—SOLD—QUOTED

The following prices are subject to confirmation:

	Bid	Asked
Astoria Rouyn	.08	.11
British Canadian	.09	.12
Bunker Hill Extension	.17	.20
Callinan Flin Flon ...	.55	.60
Creighton Fairbanks .	.80	.90
Harker Gold	.20	.24
Marshay Zinc Units.	19.00	23.00
Ostrom	.09	.12
Pandora Units	40.00	50.00
Rouyn Gold Pan	.30	.36
Wood Kirkland	.23	.26
Brownlee	.11	.14
Patterson Copper	.28	.34

Other Stocks quoted on application

PHONE—WRITE—WIRE

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45 Richmond St. West
Toronto 2
Adelaide 9912—7444
Cable Address: Jayfranc

IRON AND STEEL PRODUCTION GAINS

Cumulative Figures for Half Year Well Ahead of 1927

From Our Own Correspondent

MONTREAL.—Production of pig iron in Canada last month amounted to 97,379 tons, a gain of 11 per cent. over the 87,811 tons made in the previous month, and 40 per cent. higher than the output of 69,437 tons produced in June of last year.

For the first half of 1928, the cumulative production of pig iron was 468,013 tons, as compared with 403,713 tons in the corresponding period of last year.

Tonnage of steel ingots and castings produced during June totalled 116,530 tons, or slightly less than the 117,655 tons produced in May, but 94 per cent. greater than the 59,940 tons made in June of 1927.

Cumulative production for the first half of the year totalled 648,338 tons, an increase of 33 per cent. over the 487,310 tons made in the corresponding period a year ago. This year's output to date included 625,493 tons of steel and 22,845 tons of direct steel castings.

The number of furnaces in blast in June remained the same as in the previous month. The active furnaces had a daily capacity of 3,150 tons per day, or 63 per cent. of the total capacity of all blast furnaces in Canada.

It is interesting to note that production last month was the highest for any month in the past two years and higher than the monthly average in any year since 1915. Although steel production does not compare so favorably, yet it is considerably above the average.

Sewer Pipe Merger Not Yet Completed

Merger of Ontario sewer pipe companies has not yet been completed, The Financial Post understands. It is expected that the announcement will be made shortly.

The companies reported as interested in the merger are the Hamilton and Toronto Sewer Pipe Co., Ontario Sewer Pipe and Clay Products Ltd., and the Dominion Sewer Pipe and Clay Industries, Ltd. These industries now occupy important positions in their field and as a unit would dominate the manufacture and distribution of vitrified clay products throughout Central Canada.

JUNE BEST MONTH FOR BRAZILIA

Shareholders Number 8,00 Majority Are in Canada

Shareholders who attended the a nual meeting of Brazilian Traction o July 18 were told that earnings of th company for June were the highest the history of the company. The gro for the first six months of the curre year was $20,538,000, which is an crease from $18,420,000 in the corre ponding period of the previous year.

Brazilian Traction now has 18,00 shareholders, of whom 55 per cent. a residents of Canada, 25 per cent. a residents of Great Britain, and near 20 per cent. residents of Continenta Europe. Holdings of Brazilian Brazil itself, and in the United Stat are negligible, the meeting was formed.

A third 40,000 horsepower unit f the Serra development has been o dered. The first automatic telepho exchange in Brazil, in Sao Paulo, w put into operation in the curre month.

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Do You Know That—

The Kirkland Lake area has shown an increase of 43% in Gold production for the first six months of 1928 over the corresponding period of 1927

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Announcement—

The interest in Ruggles & Ruse, Limited, formerly held by F. M. Ruggles, having been acquired by J. Clark Ruse and associates, the business in future will be carried on under the name of

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Lennard, Poisson & Waghorn Ltd.
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